



Aalborg Universitet

AALBORG UNIVERSITY  
DENMARK

## Making Partnerships Worthwhile

*A case of valuing in practice*

Schmidt, Lykke

DOI (link to publication from Publisher):  
[10.5278/vbn.phd.engsci.00095](https://doi.org/10.5278/vbn.phd.engsci.00095)

Publication date:  
2016

Document Version  
Publisher's PDF, also known as Version of record

[Link to publication from Aalborg University](#)

Citation for published version (APA):  
Schmidt, L. (2016). *Making Partnerships Worthwhile: A case of valuing in practice*. Aalborg Universitetsforlag. Ph.d.-serien for Det Teknisk-Naturvidenskabelige Fakultet, Aalborg Universitet  
<https://doi.org/10.5278/vbn.phd.engsci.00095>

### General rights

Copyright and moral rights for the publications made accessible in the public portal are retained by the authors and/or other copyright owners and it is a condition of accessing publications that users recognise and abide by the legal requirements associated with these rights.

- Users may download and print one copy of any publication from the public portal for the purpose of private study or research.
- You may not further distribute the material or use it for any profit-making activity or commercial gain
- You may freely distribute the URL identifying the publication in the public portal -

### Take down policy

If you believe that this document breaches copyright please contact us at [vbn@aub.aau.dk](mailto:vbn@aub.aau.dk) providing details, and we will remove access to the work immediately and investigate your claim.



# **MAKING PARTNERSHIPS WORTHWHILE**

A CASE OF VALUING IN PRACTICE

**BY  
LYKKE SCHMIDT**

DISSERTATION SUBMITTED 2016



**AALBORG UNIVERSITY**  
DENMARK



# MAKING PARTNERSHIPS WORTHWHILE

A CASE OF VALUING IN PRACTICE

by

Lykke Schmidt



**AALBORG UNIVERSITY**  
DENMARK

Dissertation submitted

Dissertation submitted: March 31, 2016

PhD supervisor: Professor Susse Georg,  
Aalborg University

PhD committee: Professor Peter Karnøe (chairman)  
Aalborg University, Denmark  
Professor Barbara Czarniawska  
University of Gothenburg, Sweden  
Professor Andreas Rasche  
Copenhagen Business School, Denmark

PhD Series: Faculty of Engineering and Science, Aalborg University

ISSN (online): 2246-1248

ISBN (online): 978-87-7112-544-3

Published by:  
Aalborg University Press  
Skjernvej 4A, 2nd floor  
DK – 9220 Aalborg Ø  
Phone: +45 99407140  
[aauf@forlag.aau.dk](mailto:aauf@forlag.aau.dk)  
[forlag.aau.dk](http://forlag.aau.dk)

© Copyright: Lykke Schmidt

Printed in Denmark by Rosendahls, 2016

# ENGLISH SUMMARY

This thesis explores how corporate engagement in partnerships is made worthwhile. Set against the backdrop of an increasing call for companies to collaborate – and the widely acclaimed potential of such collaborations in driving societal transformation to the proclaimed benefit of every actor involved – the project sets out to examine how decisions to engage in partnerships unfold in practice.

Through an ethnographic case-study from the inside of a corporate “machine-room”, the thesis sheds light on the inherent uncertainty surrounding the value of partnerships and the continuous work that goes into making partnerships worthwhile doing and investing in. Mobilising insights from a multiplicity oriented approach to Actor Network Theory (ANT) and a pragmatic perspective on valuing, this is described and analysed as *valuing work* that is carried out not only by individuals and organisations, but also by the valuing tools such as social value propositions, partnership ideals and project management models involved.

Two types of valuing work are identified in the analysis: *Pitching* is aimed at persuading and getting things moving. It is simultaneously an experimental and explorative activity where hopes and hypotheses about value are carefully and tactically pitched to hopefully resonate with decision makers in- and outside the company. Pitching involves the making of social value propositions as well as work related to making the “business case” for partnering. Where the social value propositions are actual, visible models, the business case is not an end result, but an ongoing process of *business casing* that involves various activities aimed at reducing uncertainty and making decision makers in the company believe strongly enough in the potential business benefits of partnering. As the second type of valuing work, *tuning* involves the continuous coordination of what is considered valuable in and outside the case company. Tuning enables the initiation and progression of partnerships despite tensions between valuing registers.

Furthermore, the valuing analysis brings out the multiple definitions of good and bad and the multiple versions of corporate identity and reality that are at play and can be played with in different situations in the case company. In valuing partnerships, different versions of the “business”, the “social” and the “business-society” relationship can be enacted and combined in various ways as long as tensions between them are contained. This allows for experimentation in partnership work. However, as the analysis also shows, there are limits to what can be performed as a good or a worthwhile business engagement.

The thesis contributes to the literature on social partnerships by providing a case of practice which shows that the valuing perspective may not only be productive in terms of enhancing our understanding of “value creation” in partnerships, but also in terms of enhancing our

understanding of the multiplicity and dynamics of partnerships in general. With this the thesis contributes to a more nuanced understanding of what such relationships may or may not accomplish in terms of driving societal change.



# DANSK RESUME

Denne afhandling udforsker, hvordan virksomheders engagement i partnerskaber bliver gjort værd at gøre. Med baggrund i øgede opfordringer til virksomheder om at samarbejde – og den udbredte opfattelse, at sådanne samarbejder har potentiale til at drive samfundsforandringer til fordel for alle involverede aktører – sætter projektet sig for at undersøge, hvordan beslutninger om at engagere sig i partnerskaber forløber i praksis.

Gennem et etnografisk case studie, som er udført fra “maskinrummet” i en virksomhed, kaster afhandlingen lys på den iboende usikkerhed om værdien af partnerskaber – og det kontinuerlige arbejde der går ud på at gøre partnerskaber værd at gøre og investere i. Med udgangspunkt i en multiplicitetsorienteret tilgang til aktør-netværk teori og et pragmatisk perspektiv på *valuing* beskrives dette arbejde som *valuing* arbejde, der ikke kun udføres af individer og organisationer, men også af de redskaber som er involveret i arbejdet, f.eks. forslag om samfundsmæssig værdi, partnerskabsidealer og projektledelsesmodeller.

Der identificeres to typer *valuing* arbejde i analysen. *Pitching* er rettet mod at overbevise og sætte ting i bevægelse. Samtidig er *pitching* en eksperimenterende og eksplorativ aktivitet, hvor håb og hypoteser om værdi omhyggeligt og taktisk bliver slået an, så de forhåbentlig vækker genklang hos beslutningstagere i og uden for virksomheden. *Pitching* omfatter både at lave bud på den samfundsmæssige værdi og at lave “business casen” for partnerskaber. Modsat forslagene til samfundsmæssig værdi, som er faktiske, synlige modeller, er “business casen” ikke et slut resultat, men en vedvarende proces, *business casing*, som omfatter forskellige aktiviteter, der er rettet mod at reducere usikkerhed og få beslutningstagere i virksomheden til at tro stærkt nok på de potentielle forretningsfordele ved at indgå i partnerskaber. Den anden type *valuing* arbejde – *tuning* – indebærer kontinuerlig koordinering af, hvad der bliver betragtet som værdifuldt i og uden for virksomheden. *Tuning* muliggør igangsættelse og fremdrift af partnerskaber på trods af spændinger mellem *valuing* registre.

Analysen kaster også lys over de mangfoldige definitioner af godt og dårligt og de mangfoldige versioner af case virksomhedens identitet og virkelighed, som er på spil og kan “spilles med” i forskellige situationer. I *valuing* af partnerskaber kan forskellige versioner af virksomheden, samfundet og relationen mellem virksomhed og samfund *enactes* og kombineres på forskellige måder, så længe at spændinger mellem disse versioner holdes under kontrol. Dette tillader eksperimentering i partnerskaber, selvom – som analysen også viser – der er grænser for, hvilke virksomhedsaktiviteter der kan gøres gode eller værd at gøre.

Afhandlingen bidrager til litteraturen om *social partnerships* med en case fra praksis, som viser at *valuing* perspektivet ikke kun kan være en produktiv måde at øge vores forståelse af *value creation* i partnerskaber, men også vores forståelse af mangfoldigheden og dynamikkerne i partnerskaber generelt. Hermed bidrager afhandlingen til en mere nuanceret forståelse af, hvad partnerskaber har potentiale til og ikke har potentiale til at opnå i forhold til at drive samfundsmæssige forandringer.

# ACKNOWLEDGEMENTS

Writing a PhD thesis is a lonely ride, but no woman is an island. First of all, I am grateful to Per and Susanne from Novo Nordisk who made the research project practically possible. In the midst of a hectic work life you gave me the opportunity to pursue an old dream of mine. Thank you! From Novo Nordisk, I also wish to thank Jan, Vibeke, Morten, Nikolaj and Grith for the numerous enriching conversations we have had about our work. To Grith in particular: Thank you for keeping in touch when I moved to my university desk. Besides the 10 o'clock and 2 o'clock coffee, your calls were the highlights of my day (and way better than the coffee). Thank you also to the colleagues in Corporate Stakeholder Engagement who generously shared their insights on partnership management with me. And last, but not least, thanks to all my great colleagues in Corporate Sustainability for cheering along the way.

The thesis would not have been produced without the academic support and inspiration that I have received from colleagues at the Department of Planning at Aalborg University. Thank you for inviting me into your world and for discussing and contributing to my research. Further, I am grateful to all the people who have informed and challenged the project during PhD courses and during my stay at the Centre for Corporate Social Responsibility at Copenhagen Business School (CBS). Thanks in particular to Erin, Majbritt, Morten and Luisa for great company during my stay at CBS. Above all, I don't know how to express my gratitude to my supervisor Susse. You have guided and supported me throughout the process and you came to the rescue when I almost lost it. What can I say...? I am a fan and I will miss your spirit, your brains and your company.

Finally, like always, my friends and family have backed me up: Anne, Anne-Dorthe, Flemming, Inge, Ingrid, Jane, Johanne, Lisbet, Marianne, Nils, Pia, Trine: You're funny, bright and always so damn good to talk to. I am grateful to be your friend. Carsten, Gry and Lau: This solo-ride has taken heavy tolls on our family, but you have been endlessly patient and I love you for that. I know it can seem like I prefer being on my own, but I would be lost without you.

Lykke



# TABLE OF CONTENTS

<b>Chapter 1. introduction .....</b>	<b>13</b>
1.1. “Do more together” in practice .....	14
1.2. “Do more together” in research.....	17
1.3. Research objectives, framework and reading guide .....	18
<b>Chapter 2. social partnership research .....</b>	<b>20</b>
2.1. Definitions and taxonomies.....	20
2.2. Partnership formation and evolution .....	23
2.2.1. Partnership formation.....	23
2.2.2. Partnership evolution .....	25
2.2.3. Critical perspectives on partnership formation and evolution .....	26
2.3. Partnership management and leadership .....	27
2.3.1. Challenges to social partnerships .....	27
2.3.2. Making social partnerships successful .....	28
2.4. Value and value creation .....	32
2.4.1. Value as condition: Value logics.....	33
2.4.2. Value as motivation and outcome: Benefits .....	33
2.4.3. Value creation in social partnership .....	37
2.5. Summary and conclusion .....	45
<b>Chapter 3. valuation .....</b>	<b>49</b>
3.1. An emerging field .....	49
3.1.1. “Value” as a noun.....	50
3.1.2. “Value” as a verb .....	51
3.2. Structuralist and pragmatic approaches.....	53
3.2.1. Structuralist approaches .....	53
3.2.2. pragmatic approaches .....	56
3.3. Research proposition and analytical framework .....	60
3.3.1. A pragmatic study of the valuation of social partnerships .....	61
3.3.2. Analytical framework.....	64

<b>Chapter 4. methodology .....</b>	<b>70</b>
4.1. Ontology and epistemology .....	70
4.1.1. Ontology: A materialist, semiotic approach to reality .....	71
4.1.2. Epistemology: A non-dualist approach to knowledge .....	72
4.1.3. The ontological position and epistemological approach of the study ....	73
4.2. An ethnographic case-study .....	76
4.3. Research design .....	80
4.3.1. The field .....	80
4.3.2. The research activities .....	82
4.3.3. Data gathering and analysis .....	85
<b>Chapter 5. good business .....</b>	<b>93</b>
5.1. Introducing “Novo Nordisk” .....	93
5.1.1. Pre-1989 .....	94
5.1.2. “Novo Nordisk” 1989 - 2014 .....	96
5.2. Valuing registers .....	99
5.2.1. Business success: Profitability & market leadership .....	100
5.2.2. Medical innovation: Science & innovation .....	105
5.2.3. Business conduct: Responsibility & accountability .....	107
5.2.4. The role of business in society: Change leadership .....	110
5.2.5. Are there any valuing registers that are taken for granted? .....	114
5.3. Managing “good business” .....	115
5.3.1. Managing good results .....	116
5.3.2. Managing good relations .....	117
5.4. Tensions within and between good results and good relations .....	124
5.4.1. Profit or people? .....	127
5.4.2. “The walk and the talk” .....	132
5.4.3. The business case of good relations .....	137
5.4.4. Tensions that are not addressed as “dilemmas” .....	140
5.5. Summary .....	142
<b>Chapter 6. partnerships in practice .....</b>	<b>145</b>
6.1. The history of partnerships .....	146

6.2. Partnerships in Corporate Stakeholder Engagement .....	149
6.2.1. The definition .....	149
6.2.2. The rationale .....	159
6.2.3. Summary: Partnerships in CSE .....	167
6.3. A practitioner's account: Sustainable Communities .....	167
6.4. Summary .....	190
<b>Chapter 7. valuing work .....</b>	<b>192</b>
7.1. Pitching partnerships .....	194
7.1.1. Social value propositions .....	195
7.1.2. "Business casing" .....	206
7.1.3. Summary - pitching .....	221
7.2. Tuning to persuade .....	222
7.2.1. Sustainable Communities A: From proposition to approval .....	224
7.3. Tuning to persist and improve .....	228
7.3.1. The partnership ideal .....	228
7.3.2. Tuning diabetes partnerships to persist and be better .....	231
7.3.3. Tuning SCA to persist and improve .....	236
7.4. Conclusion: Valuing work .....	242
7.4.1. pitching and tuning .....	242
7.4.2. Who does the doing? .....	247
<b>Chapter 8. discussion .....</b>	<b>251</b>
8.1. "Value" and "value creation" in social partnerships .....	251
8.1.1. "Value" vs "valuing" .....	252
8.1.2. "Value creation" vs "Valuing work" .....	254
8.1.3. What are social partnerships? .....	259
8.2. Research implications .....	264
8.2.1. Future research avenues within the social partnership field .....	264
8.2.2. Research implications for valuation studies .....	266
8.2.3. Further research implications .....	269
8.3. Practical implications .....	271
8.3.1. "Novo Nordisk" in general .....	271

8.3.2. Partnership management at “Novo Nordisk” .....	273
8.3.3. “Social partnerships” in general .....	275
<b>Chapter 9. conclusion .....</b>	<b>280</b>
9.1. The performance of worthwhile partnership .....	280
9.2. Practical implications of the study .....	283
<b>Chapter 10. references.....</b>	<b>285</b>
<b>Appendices.....</b>	<b>300</b>



# CHAPTER 1. INTRODUCTION

Across the world, the business community is facing a growing call to engage in transformative societal change. In October 2012, UN Secretary General, Ban Ki-moon, addressed the World Business Council for Sustainable Development with the following words: “From energy to health, from food security to climate change, we are most effective when we bring all relevant actors together.....It is plain that business can spur a revolution in sustainability...It is time for transformation. I count on your leadership and commitment” (United Nations, 2012). But the call for increased engagement is also growing from within. Since 2006, with a focus on business risks, the World Economic Forum (WEF) has published an annual Global Risks Report articulating the top 10 economic, environmental, geopolitical, societal and technological risks that threaten to “reverse the gains of globalization” (World Economic Forum, 2012b). The reports are a “call to action” that aims to “improve public and private sector efforts to map, monitor, manage and mitigate global risks” (World Economic Forum, 2012a, p. 8).

Central to the UN and the WEF’s calls for increased business engagement is the idea that partnerships are a “panacea” for addressing global problems (Kolk, 2013). On the occasion of the adoption of the Sustainable Development Goals for 2030 in 2015, the United Nations Department of Economic and Social Affairs issued a review of the concept of partnerships for development. Introduced with the adoption of the Millennium Development Goals in 2000, the report concludes that from 2000 to 2015 “partnerships as a means of implementation have been increasingly recognized through United Nations summits, conferences and outcomes” and that by 2015 “partnerships as a means of implementation have never before in the history of international cooperation been more important” (United Nations, 2015a, Conclusion, no page number). Collaboration between the UN and the business community in particular has also intensified during this period. In 2000, the UN Global Compact was formed with the objective to “collaboratively contribute to a more stable, equitable, and inclusive global economy” through nine principles for responsible business conduct (United Nations, 2015a in section on Partnership Mandates and History, no page number). Since 2008, annual UN Private Sector Forums have gathered corporate executives and heads of government and UN agencies to discuss climate change, global development, human rights and other pressing global issues. Furthermore, the newly adopted global partnership goal – Sustainable Development Goal number 17 – includes two targets related to the advancement of “public, public-private and civil society partnerships” and “multi-stakeholder partnerships” that “mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals” (United Nations, 2015b). The 2016 version of the Global Risks Report from WEF emphasises the importance of collaboration across different

sectors of society as well: “Collaboration across countries, areas of expertise and stakeholder groups is necessary to effectively address global risks and deliver on the resilience imperative” (p. 9).

Calling for companies to do more together with other societal actors is one thing, but what happens in practice is another. As pointed out by, among others, Åhlström and Egels-Zandén (2008), Boons and Mendoza (2010) and Boons and Lüdeke-Freund (2013), little research exists on how processes of defining sustainability issues and corporate responsibility develop in practice. Hence, the general research focus of this industrial PhD thesis is to examine how the call for business to step up its collaborative effort vis-à-vis the problems the world is facing is implemented in practice. What goes on in the corporate machine rooms where decisions about corporate engagement in societal issues are made?

## 1.1. “DO MORE TOGETHER” IN PRACTICE

At Novo Nordisk - the company where I study and work - the business-society relationship has been on the agenda since the 1990s. Company representatives have participated in global development discussions since the Rio Summit on sustainable development in 1992. Most recently, the company has taken active part in private sector consultations concerning the Sustainable Development Goals at the national as well as UN level. Since 2001, the company has been a signatory to the UN Global Compact and it attends the annual UN Private Sector Forum discussions and the annual World Economic Forum meetings in Davos. In other words, the company hears the call to “do more together”. Furthermore, for employees working in the Corporate Stakeholder Engagement unit where I work, it is difficult to fail to notice the message. In recent years, a steady flow of concepts for partnership success have been promoted such as the “Fit for Partnering” initiative ([www.thepartneringinitiative.org](http://www.thepartneringinitiative.org)) and the “Collective Impact” framework (Kania & Kramer, 2011). Hardly a work day goes by without consultants offering their assistance on how to successfully partner with authorities, NGOs and other types of stakeholders, such as in the following mail that I received 24 November, 2015:

*“Hi Lykke,*

*Building successful partnerships with your key stakeholders is tricky, but getting this right can help your business, and more importantly your industry, create that bigger overall change.*

*To help you develop a successful partnership strategy, we have three senior leaders ready to share their experiences live. Join us on 1st December at 1pm GMT for our free online webinar with Timberland's Sustainability Director, Starwood Hotels and Resorts' VP of Sustainability and William Jackson Food Group's Group Sustainability Director to discuss:*

- *What a successful partnership looks like to add real value to your brand and reputation*
- *How brands and 3rd parties practically collaborate to achieve business growth*
- *Creative ways to develop mutually beneficial partnerships that build effective stakeholder engagement*
- *How to manage NGO expectations – friend or foe?*

*Sign up here to ensure you don't miss out.*

*Best, ”*



Perhaps it is because of the fear of missing out, perhaps not; the coming chapters will shed light on this, but the fact is that the company is not only hearing the call, it is also responding to it. Since the early 2000s, the company has been increasingly engaged in different kinds of collaborations and partnerships related to sustainability and development issues. However, from my experience and observations, decisions about “doing more together” do not come easily. Rather, they are filled with concern, hesitation and compromise. The key concern is related to questions about value: Why should the company become more engaged in societal issues than it already is? What is there to gain? Certainly, the mail above hits the nail on the head when it promises to address how partnerships “add real value”. What partnership engagement adds is the one key question that is discussed over and over again.

From a research perspective, the observed concern about value presents an intriguing puzzle. First, the concern is in contrast to the extraordinarily optimistic assessments of partnership value in calls for partnership. In the quote above, the UN Secretary-General anticipated that business could spur nothing less than a revolution in sustainability. Along the same lines, a partnership guide that the UN Global Compact issued in 2011 praised the “tremendous potential” to “transform” society through public-private partnerships (United Nations Global Compact, 2011). Further, according to the calls, it is not only society, but also business that stands to gain from increased corporate engagement in the resolution of societal challenges. From a global risk perspective, securing future growth opportunities and long term resilience of companies are key arguments for increased engagement.

From a business strategy perspective, it is argued that companies can “re-invest capitalism and unleash a wave of innovation and growth” if they put societal concerns at the core of business strategies and pursue Shared Value Creation (Porter & Kramer, 2011, p. 2). When the UN Secretary-General, Ban Ki-moon, repeated his call for business to step up at the UN Private Sector Forum in 2015, he stressed that the case for corporate engagement in the achievement of the Sustainable Development Goals was clear: “Now is the time to mobilise the global business community as never before. **The case is clear.** Realising the Sustainable Development Goals will improve the environment for doing business and building markets” (United Nations Development Programme, 2015, emphasis added).

From my point of view, however, “the case” does not seem clear. In fact, it seems rather obscure. Still – and this is the second puzzling aspect about the value concern – the company engages in partnerships anyway. Further, it sometimes engages in ways that seem to run counter to what is generally considered to be common business sense. For example, in 2010, I was involved in making a retrospective calculation of the Shared Value Creation (Porter & Kramer, 2011) in two partnerships that the company had engaged in with the aim of reducing its CO<sub>2</sub> emissions. At that time, executives in the company had for some time been asking us working in the Corporate Sustainability team to conduct case studies that would demonstrate the value generation of corporate sustainability initiatives and this particular calculation was our first attempt at making such a case. In one of the climate partnerships, the company had made a +10 year long commitment to pay a premium price for electricity from a wind farm that was still on the drawing board. The premium price was to be financed through energy savings at the company’s production sites which the company’s energy provider would help identify and implement. The partnership led to the establishment of the wind farm, a significant reduction in the company’s CO<sub>2</sub> emissions and saved the company more money than it cost. Furthermore, in the years that followed the announcement of the partnership, more than a 100 organisations followed suit and engaged in similar partnerships based on the renewable energy financing model that was developed in the partnership between Novo Nordisk and its energy provider. Hence, when we initiated the value generation calculation, we were working under the assumption that this would prove to be a particularly powerful case of value generation at the societal as well as business level. To my surprise, however, the consultants who had helped calculate the case recommended that future partnerships should pursue more balanced value cases - in favour of the company. In their calculation, the partnership was not a particularly good example of shared value because it had generated substantially more value for society in terms of CO<sub>2</sub> reductions than it had for the company in terms of cost savings. Furthermore, when I told the executive committee who had initiated the partnership that the \$100m investment in energy savings had been paid back in less than two years and that it had already generated real cost savings of \$120m and would continue to generate more in years to come, the response was not an applause, but a shrug of the shoulders. I will never

forget the response of one of the members of the committee: “That is fine, but that’s not why we did it. We did it because it was the right thing to do”. Really? Executives had been asking for business cases measured in dollars and cents and when we finally present them with dollars and cents they tell me that they don’t care about money?!

If the renewable energy partnership was a typical story about the company’s engagement in societal issues, you might get the impression that Novo Nordisk is a rare example of a corporate hero that puts society’s interests above its own. But that is not the case. As the coming chapters will reveal, there is not one typical story about what and how the company values. Rather, the story about the climate partnership value case serves to illustrate the puzzle that motivates the specific research question of this thesis. Within the broader frame of the call for increased corporate engagement to help resolve challenges to societal development and sustainability value generation seems, on the one hand, to be imperative for the company. On the other hand, the company seems to engage without clear evidence of or a unified idea about what value is. If not based on a “clear case” or a unified understanding of value, then...:

How is corporate engagement in partnerships to resolve societal issues made worthwhile?

The general research question, however, is not only motivated by the empirically observed puzzle, but also by the value debate in the partnership literature – or rather, the lack of debate.

## 1.2. “DO MORE TOGETHER” IN RESEARCH

In research, there are different names for the partnership phenomenon, but a recent research handbook aiming to consolidate and advance the field uses the term “social partnerships” (Seitanidi & Crane, 2014). Social partnerships are defined as “social problem-solving mechanisms among organizations from more than one economic sector” (Waddock, 1989, p. 79).

As I discuss in chapter 2, though the value potential of social partnerships is a central theme in social partnership studies, what value is, how it is established and what role it plays in partnerships is rarely questioned in greater depth. Drawing on theories about the value potential of partnering such as “collaborative advantage” (Huxham & Macdonald, 1992) and the “Collaborative Value Creation Spectrum” (Austin & Seitanidi, 2012a) many scholars have studied how partnerships can be managed successfully to realise the proclaimed value generation potential at the societal as well as partner level. However, some scholars argue that the proclaimed

value potential naïvely assumes that the diverse interests involved can be reconciled around creating societal change for the benefit of “the greater good” (see Lotia & Hardy, 2009, for a review). In the critical management perspective, the general hype about the goodness of partnership has also been subject to critical examination. In an extensive review of social partnership academic discourses, Laasonen et al. (2012) argue that the possible value of adversarial relations between business, NGOs and other societal actors is suppressed by the prevailing discourses that position partnerships as the superior response to societal issues (p. 537). They also point out that the partnership discourse legitimises business as “part of the solution” and places business at the centre of public governance (ibid). Hence, the debate about value in the social partnership literature tends to revolve around the questions of whether the value potential is realistic or not or whether corporate intentions in relation to societal change are good or not. What corporations (and other types of partners) value and how they make engagement worthwhile is generally assumed to be well understood: Companies pursue economic value and legitimacy and assess value by weighing costs and benefits. Recently, however, a group of scholars have started paying closer attention to how value creation processes unfold in practice and have called for more “field-based research that documents value creation pathways” (Austin & Seitanidi, 2012a, p. 744). Responding to this call, I aim to contribute to the social partnership literature with a case-study of how a company makes partnership engagement worthwhile in practice. Furthermore, I aim to contribute to the field by taking a pragmatic valuation approach (Caliskan & Callon, 2009) that questions what value is, how it is created and what role it plays - instead of simply assuming that value is the fairly well-defined and measurable outcome of a value creation process. In chapter 3, I present the theoretical framework and introduce the analytical research question: How are worthwhile “social partnerships” performed?

In the following, I summarise the research purpose and framework and introduce the thesis outline.

### **1.3. RESEARCH OBJECTIVES, FRAMEWORK AND READING GUIDE**

To sum up, this research project is spurred by a hype and a puzzle. The hype is about the great value potential of increased corporate engagement in societal issues. The puzzle is that though the calls for partnering argue that the case for engagement is clear, in practice I have observed that it is not. Still, partnerships happen and they sometimes happen in ways that seem to be at odds with common assumptions about what and how companies value. Through a case study conducted from the inside of a corporate machine-room, the purpose of the thesis is to explain this puzzle.

The primary research objective is to:

- Provide an enhanced understanding of how corporate engagement in partnerships to resolve societal issues is made worthwhile.

The secondary research objectives are to:

- Discuss the management implications of the analysis.
- Contribute to an informed debate about the potential of driving societal change through partnerships.

The research project is an industrial PhD project carried out at Aalborg University and funded by Innovation Fund Denmark and Novo Nordisk A/S. Novo Nordisk, which is further presented in chapter 5, is a Danish pharmaceutical company specialising in diabetes treatment. I have worked for the company since 2006. During the research project, I have been on leave from my permanent position in the company's Corporate Sustainability team and employed as an "Industrial PhD Fellow". The research field and my role in the company is further described in chapter 4.

In the following three chapters, I first elaborate the theoretical framework and the research design. Chapter 2 presents a review of the social partnership literature. In chapter 3, I present valuation studies as the theoretical framework for the analysis, while in chapter 4 I introduce the methodology and research design. In the next 3 chapters, I present the results of the case-study. Chapter 5 discusses what and how Novo Nordisk values in general; Chapter 6 explores how the company partners in practice, and; Chapter 7 examines valuing work in relation to partnerships. The research perspectives and practical implications of the case analysis are discussed in chapter 8, while chapter 9 concludes the study.

## CHAPTER 2. SOCIAL PARTNERSHIP RESEARCH

Since its emergence in the public policy and business arenas in the 1980s, the study of social partnerships has been on the rise. In particular, researchers from the field of organisation and management studies have taken an interest in understanding this new way of organising. However, partnerships have also been given considerable attention within political science in the governance theory and public policy literature (Selsky & Parker, 2005). As an academic field in its own right, however, the study of social partnerships is still considered new and evolving (Selsky & Parker, 2005; Seitanidi & Crane, 2014).

The purpose of this chapter is two-fold. First, I aim to provide an overview of the social partnership research. How are social partnerships defined? What are the main research themes? What are the main ideas and perspectives within these themes? Secondly, I aim to review the literature with a particular focus on the value theme and the research gaps in this regard. How is the notion of value and the role of value explained and understood? And what, if anything, do we know about how companies make social partnerships worthwhile in practice? As my general research interest and purpose is to explore how corporate engagement in social partnerships may be better understood and managed, I focus on the research contributions of scholars from the field of organisation and management.

In the following sections, I first present partnership definitions and taxonomies. This is followed by two sections that introduce the main contributions and dominant perspectives on 1) partnership formation and evolution, and; 2) partnership management and leadership, which represent two of the three central lines of inquiry in social partnership research (Selsky & Parker, 2005). In section 2.4, I review the third theme: value and value creation. The review is summarised and concluded in section 2.5.

### 2.1. DEFINITIONS AND TAXONOMIES

The most cited definition of social partnerships is from an article by Sandra Waddock appearing in the MIT Sloan Management Review in 1988. Drawing on Ouchi (1984), Bower (1983) and social issues management literature, Waddock defines a social partnership as:



“A commitment by a corporation or group of corporations to work with an organization from a different economic sector (public or non-profit). It involves a commitment of resources - time and effort - by individuals from all partner organisations. These individuals work cooperatively to solve a problem that affects them all. The problem can be defined at least in part as a social issue; its solution will benefit all partners” (p.18). Social issues are defined as “issues that extend beyond organizational boundaries and traditional goals and lie within the traditional realm of public policy – that is, in the social arena” (ibid).

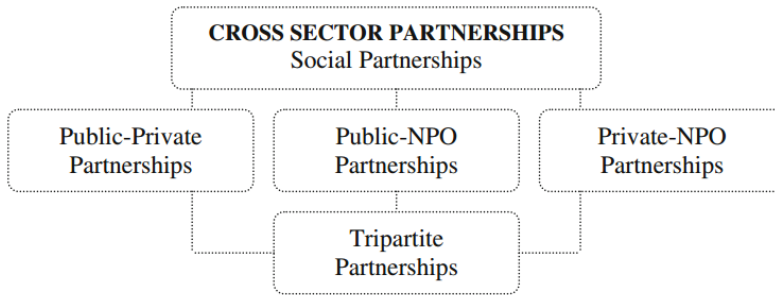
Or, in short, social partnerships are: “Social problem-solving mechanisms among organizations from more than one economic sector (Waddock, 1989, p. 79).”

The cross-sector and problem solving lens that is introduced in Waddock’s definition is echoed by Selsky and Parker who introduced another widely used term in their literature review from 2005: Project-based cross-sector partnerships to address social issues (CSSPs). CSSPs are defined as “cross-sector projects formed explicitly to address social issues and causes that actively engage the partners on an ongoing basis” (p. 850). Where Waddock’s definition emphasises the corporate commitment, Selsky and Parker approach CSSPs as ongoing projects. Both definitions, however, are quite broad and have been supplemented by numerous attempts to categorise and distinguish different types of social partnerships (or CSSPs) from each other.

#### *Actor, resource, agreement and time-based (process) taxonomies*

According to Vurro et al. (2010), there are four different ways of categorising social partnerships and CSSPs. The most widespread are actor-based taxonomies which have been promoted by, among others, Waddock (1988), Selsky and Parker (2005) and Seitanidi and Crane (2009). As mentioned above, in the actor-based taxonomies, the focus is on sectoral belonging and sectoral differences. For example, Seitanidi and Crane work with four different combinations of “public”, “private” and “non-profit (NPO)” organisations under their “cross-sector social partnerships” umbrella (figure 2.1). Selsky and Parker (2005) make a similar distinction, but refer to “public” partners as “government,” and “private” partners as “business”.

Figure 2.1: Cross-sector social partnerships (Seitanidi & Crane, 2009, p. 414)



According to Vurro et al. (2010) Other taxonomies stress the degree and intensity of the collaboration by focusing on either the resources exchanged in partnerships, or the type of formal agreement of the partnership. Where the actor-based, resource-based and agreement-based taxonomies are largely static descriptions of partnerships, Vurro et al. also identify a time-based taxonomy, which they also refer to as a process-based view (p. 41). A prominent example of the process based view is the idea that partnerships between companies and "non-profits" may progress through stages in a collaboration continuum ranging from transactional to integrative partnerships (Austin, 2000). As can be seen in figure 2.1, the degree and intensity of the collaboration is also in focus in this model as well as the strategic focus and the potential "strategic value" which I will return to in section 2.4.

Figure 2.1: The Collaboration Continuum (Austin, 2000, p. 72)

<i>Nature of Relationship</i>	<i>Stage I (Philanthropic)</i>	<i>Stage II (Transactional)</i>			<i>Stage III (Integrative)</i>
Level of engagement	Low	⇒	⇒	⇒	High
Importance to mission	Peripheral	⇒	⇒	⇒	Central
Magnitude of resources	Small	⇒	⇒	⇒	Big
Scope of activities	Narrow	⇒	⇒	⇒	Broad
Interaction level	Infrequent	⇒	⇒	⇒	Intensive
Managerial complexity	Simple	⇒	⇒	⇒	Complex
Strategic value	Minor	⇒	⇒	⇒	Major

In summary, though Selsky and Parker (2010) note a recent change in the assumption that companies and other actors are different, social partnerships are still largely defined and analysed in cross-sector terms with an implicit focus on the differences between sectors. Furthermore, there is a tendency to describe partnerships in static terms. However, as the above model of the collaboration continuum and the coming section illuminates, partnership scholars also pay

attention to partnership process and dynamics. In the following section, I explore how they do this.

## **2.2. PARTNERSHIP FORMATION AND EVOLUTION**

Key questions in partnership research are why companies and other organisations engage in social partnerships, how they are formed and how they evolve. As is apparent in the discussion below, the pursuit of betterment is an underlying theme in many of the theories presented below, which is a point I further discuss in section 2.4 on value and value creation.

### **2.2.1. PARTNERSHIP FORMATION**

As alluded to above, the idea that there is something wrong somewhere - and that engagement in partnerships is a strategic response to pressure originating in an organisation's environment plays a central role in many of the theories about why organisations partner. In other words, as Lotia and Hardy (2009) point out, the prevailing approaches to the study of social partnerships are based on a functionalist understanding of organisation and organising (p. 4).

From a corporate perspective, a problem may either originate in a company – the resource dependence view - or in its environment – the social issues view (Selsky & Parker, 2005). Alternatively, partnerships may be motivated by issues in the corporate-social relationship and function as Corporate Social Responsibility (CSR) implementation mechanisms (Albareda, 2010; Seitanidi & Crane, 2009; Sloan & Oliver, 2013). In the following, I briefly expand on these three perspectives.

#### *Resource dependence*

In the resource dependence view, the core argument is that “organisations collaborate because they lack critical competencies they cannot develop on their own or in a timely fashion” (Child & Faulkner, 1998, cited in Selsky & Parker, 2005, p. 851). The resource dependence view has a focus on strategic questions, i.e. how organisations can acquire expertise and access to resources, cope with turbulent environments and gain competitive advantage (ibid). In a corporate social responsibility (CSR) perspective, achieving legitimacy in the eyes of stakeholders is often seen as a resource and a reason for engaging in social partnerships that will allow the organisation to develop or sustain a competitive advantage (Selsky & Parker, 2005, p. 852).

### *Social issues*

In the social issues view, there are different types of “environmental forces” that can motivate collaboration, for example, new legislation, public pressure, an external broker or third-party or the visions of groups or individuals concerning an issue and what to do about it (Waddock, 1989). Some of these forces can manifest as “metaproblems” that have a tendency to “fall through the cracks of prevailing institutional arrangements” and therefore they “need to be dealt with in multi-institutional collaborative endeavors” (Selsky & Parker, 2005, p. 852).

Waddock (1989) claims that the formation of social partnerships is driven by three core processes that are interactive, iterative and cyclical. First, issue crystallization is the process of forming an issue so that understanding can be built around it and action may be taken. This requires that the partners recognise that they have to depend on each other to resolve the issue; they consider that the “perceived benefits will outweigh costs” (Gray 1985 cited in Waddock, 1989, p. 83) and; they believe the issue to be “salient” (Waddock, 1989, p. 83). Next, coalition building involves bringing together the right organisations and the right actors and balancing the power between them. Finally, purpose formulation or direction setting is the process of building consensus around partnership scope and goals (p. 85). Purpose formulation is a cyclical process of formulation and reformulation that extends beyond the partnership formation stage and is affected by environmental forces, the progress of issue crystallization and coalition building, and partnership success or failure (p. 95).

### *Social partnerships as CSR*

Combining the resource dependence and the social issues perspectives, CSR scholars largely approach partnerships as a means of implementing CSR strategies (for example, Albareda, 2010; Seitanidi & Crane, 2009; Sloan & Oliver, 2013), though it has recently been argued that social partnerships can also be seen as sites where new responsibilities emerge (Seitanidi & Crane, 2014, p. 4). In line with the resource dependence perspective described above, in the strategic CSR view, companies engage in partnerships to attain legitimacy, but the objective may also be to exploit a capability or to explore opportunities (Seitanidi et al., 2010, p. 143).

In a study of the formation of partnerships between companies and “non-profits,” Seitanidi et al. (2010) conceptualise the formation phase as an “emergent”, “informal” and “tacit” “pre-selection process” that influences the potential for “organisational pairing” and the potential outcome should a partnership be formed (p. 141). Where Waddock (1989) emphasises “environmental forces”, Seitanidi and colleagues focus on organisational characteristics that influence partnership formation highlighting organisational capacity, organisational motives and

intentions and the organisation's history and experience of organisational interactions (p. 142).

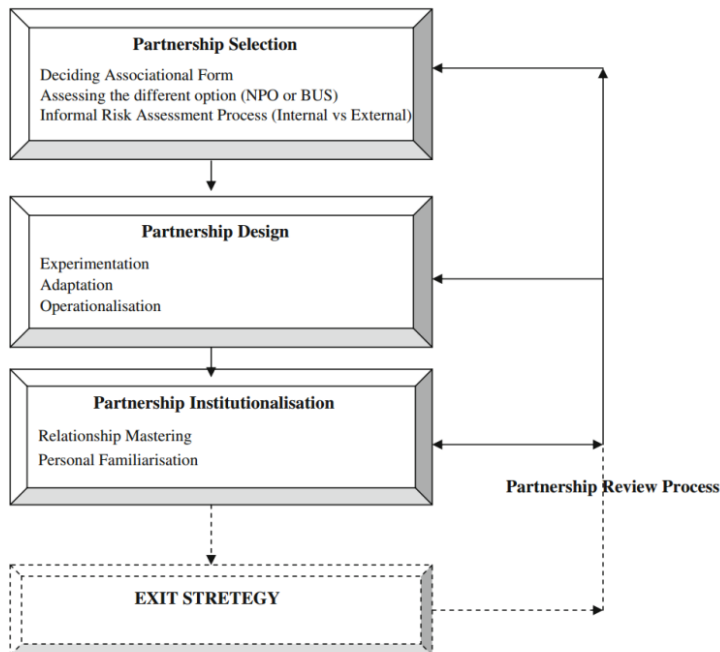
In the following section, I discuss how the processes following partnership formation are conceptualised.

### 2.2.2. PARTNERSHIP EVOLUTION

The idea that partnerships – once formed - evolve through different stages is prominent in the literature. For example, drawing on Quinn and Cameron's idea of organisational life-cycles, Waddock (1989) presents an evolutionary model of the process of developing partnerships. The stages following the partnership formation process described above are; initiation; establishment and maturity (p. 87).

In a similar vein, Seitanidi and Crane outline a three-stage process model of business and "non-profit" partnerships (figure 2.3). Each of the stages - selection, design and institutionalisation - involves "deeper-level micro-processes" (p. 413).

*Figure 2.3: Partnership stages (Seitanidi & Crane, 2009, p. 423)*



The collaboration continuum (Austin, 2000) presented above is another well-known stage model. Where the stage models presented in this section largely describe partnership evolution as a problem solving process, the collaboration continuum puts the learning process in the foreground and Austin (2010b) argues that “powerful collaborations need to be vigorous learning organisations continually searching for more efficient ways to work together and more effective means of generating value” (p. 14).

In summary, the prominent theories about partnership formation and evolution build on a functionalist understanding which interprets partnership engagement as an organisational response to internal or environmental pressure that is resolved through a problem solving or learning process which progresses through stages. The critical perspective, which I introduce below, considers this understanding to be problematic.

### **2.2.3. CRITICAL PERSPECTIVES ON PARTNERSHIP FORMATION AND EVOLUTION**

Critical management scholars question the organisational rationale for partnering and the wide-spread promotion of social partnerships as an effective problem-solving mechanism for societal issues. A central point of critique is that it is naïve to assume that social partnerships are well-intended initiatives that will benefit both individual partner organisations and society at large (Lasoonen et al. 2012). Further, the functionalist approach has been criticised for assuming that partnership managers are rational and objective actors who are primarily concerned with enhancing the efficiency and effectiveness of partnerships (Lotia & Hardy, 2009 p. 4). Recognising that the social issues perspective pays more attention to power and conflicts of interest than the resource dependence perspective, Lotia and Hardy still criticise both perspectives for assuming that partners are willing to work together to achieve genuinely collaborative outcomes and for assuming that it is possible to reconcile different motives and interests (Lotia & Hardy, 2009). Instead, critical management scholars study diverse interests and power imbalances in partnerships and approach social partnerships as arenas where organisations use their power to shape partnerships (Lotia & Hardy, 2009).

To shed light on the power dimension of social partnerships, critical researchers often analyse partnership discourse and the discursive context of partnerships and build on the idea that power is embedded in talk and action (Fairclough, 1992, referenced in Lotia & Hardy, 2009, p. 7). In this approach, partnerships are not seen as rational problem-solving mechanisms, but rather as a “series of conversations” (Hardy et al., 2005) or “social accomplishments” that come about over time through

iterative processes where individuals from different organisations work together while representing the interests of their organisations (Lotia & Hardy, 2009, p. 7).

Irrespective of whether social partnerships are studied from a functionalist or a discursive perspective, most scholars seem to agree that working together across sectors and organisations is a challenging task. In fact, as argued by Bryson et al. (2006), failure rather than success seems to be the norm when it comes to cross-sector collaboration (p. 52). Nevertheless, or perhaps because of this, the question of how to manage and ensure successful partnerships is a key concern of scholars.

## **2.3. PARTNERSHIP MANAGEMENT AND LEADERSHIP**

Within the partnership management and leadership theme, the main research objectives are to identify and understand the challenges of making social partnerships work and to suggest ways of overcoming these.

### **2.3.1. CHALLENGES TO SOCIAL PARTNERSHIPS**

Reflecting the dominant cross-sector definitions and taxonomies, the most common challenges cited in the literature are associated with inter-organisational collaboration, i.e. stemming from partner organisations belonging to different economic sectors, institutional fields or problem domains. Further challenges relate to the involvement of individual organisational participants and the varying degrees to which they represent the organisation for which they work (for example, Hardy et al., 2005; Huxham & Vangen, 2000). Huxham and Vangen (2000) summarise the types of challenges that are typically examined by social partnership scholars. Of the difficulties they note, some may be categorised as “problems of understanding” that are ascribed to differences in the partners’ “culture, experience, structure and industry and the uncertainty and ambiguity that participants experience in early stages of collaboration” (Vlaar et al., 2006, p. 1617). Such problems often emerge when negotiating joint purposes and joint ways of working and communicating (Huxham & Vangen, 2000, p. 773). Other difficulties can be described as “problems of coordination, control and legitimacy” stemming from a lack of an overall organising principle as social partnerships are placed in between markets and hierarchies (Vlaar et al., 2006). Typical problems in this category involve managing power imbalances, building trust and managing partnership accountability among the individual partner organisations while giving the collaboration enough autonomy to allow it to proceed (Huxham & Vangen, 2000, p. 773).

In the following section, I introduce research that focuses on how to overcome these challenges.

### **2.3.2. MAKING SOCIAL PARTNERSHIPS SUCCESSFUL**

The social partnership literature is replete with studies that explore and suggest ways to ensure partnership success. In the following, I focus on the themes that I find most relevant for this research project; Strategy and planning, leadership, trust building, and identity and communication.

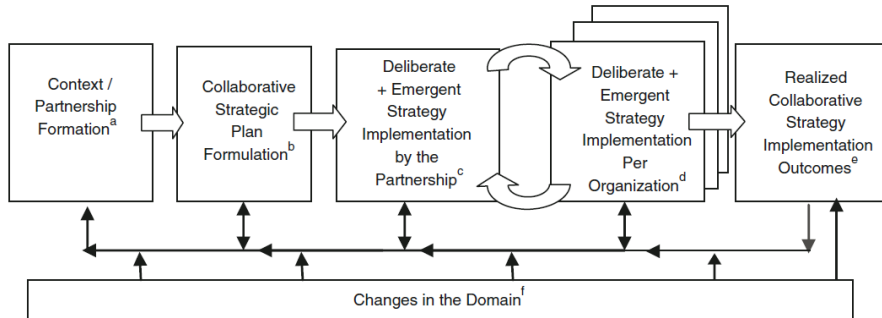
#### *Partnership strategy and planning*

Partnership scholars that are preoccupied with partnership strategy and planning obviously assume that partnerships can be planned, but recognise that planning may take several forms. For example, Crosby and Bryson (2010) make a distinction between deliberate and emergent approaches to planning partnerships. As a reflection of the above discussion between the functionalist and the discursive approach to partnerships, deliberate planning is what Crosby and Bryson also refer to as “formal” planning which includes articulating the partnership mission and goals, allocating roles and responsibilities and planning phases or steps in the partnership implementation (p. 221). According to the emergent approach to planning, the partnership mission, goals, roles and activities are not planned in the beginning, but rather emerge over time as partnership conversations expand (ibid).

Making a similar distinction between deliberate and emergent planning, Clarke and Fuller (2010) emphasise that implementation of what they call the collaborative strategic plan takes place through both deliberate and emergent implementation activities that occur simultaneously. Further, they add nuances to the otherwise widespread idea that partnerships are jointly planned and implemented. On the one hand, Clarke and Fuller define collaborative strategy as the “joint determination” of the vision, goals and “courses of action” of the partnership (p. 86). On the other hand, their model (figure 2.4), which builds on Seitanidi & Crane’s stage model presented above, emphasises that deliberate and emergent strategy implementation takes place in parallel at both the partnership level and individual partner level. If the process is successful, planned outcomes are realised at the end of the implementation process.



Figure 2.4: Stages in collaborative strategic planning (Clarke & Fuller, 2010, p. 90.)



In the following sections, I explore the theme of partnership success further by first looking at partnership leadership in general and then by introducing research that takes a closer look at how partnership managers build trust and shared understanding in partnerships.

### Leadership

Studying how partnership managers lead, Vangen and Huxham (2003a) identify three main leadership activities in cross-sector collaborations: 1) Controlling collaboration agendas; 2) Empowering and facilitating access to an agenda for all members, and; 3) Opening up the content of agendas in new ways. They define what they call “collaborative leadership” as “making things happen,” i.e. leading activities towards “collaborative advantage” as opposed to “collaborative inertia” (p. S62). Further, Vangen and Huxham suggest that collaborative leadership involves the management of a tension between “ideology” and “pragmatism”. In their case studies, they identify two types of leadership activities. The facilitative (participative) leadership activities are carried out in a “collaborative spirit” and are “embracing, empowering, involving and mobilising”, but facilitative leadership is easier said than done as partnership managers have to “grapple with” the tension between reality and collaboration ideology (p. S65). The other type of leadership activity is pragmatic (directive) leadership which Vangen and Huxham define as a sort of “collaborative thuggery” where partnership managers “manipulate the collaborative agenda” and “play the politics” (p. S69-S70). They observe that successful partnership managers engage in both types of leadership activities and are able to switch between them and “go behind people’s backs in a trustworthy kind of way” (p. S74).

Finally, another theme in the literature on leadership is the role of partnership sponsors and champions. Many authors consider a powerful partnership champion

to be an important factor for partnership success (for example, Waddock, 1988; Rondinelli & London, 2003; and Crosby & Bryson, 2010).

### *Trust building*

As pointed out by, among others, Waddock (1988), Vangen & Huxham (2003b) and Tomlinson (2005), trust between partners involved in social partnership cannot be assumed a priori. It takes time to build. According to Sloan and Oliver (2013), the literature on trust-building tends to focus on the rational practices that build trustworthiness. Summarised by Sloan and Oliver, such practices include setting modest and realistic goals to manage expectations and maintain risk willingness, sharing information and communicating effectively, demonstrating competency and good intentions or keeping promises (p. 1836). In other words, many studies rest on an understanding that trust largely stems from the ongoing calculation (“calculus based trust”) and confirmation (“knowledge based trust”) of the predictability of a partner’s behaviour assuming that partners are rational and behave in their best interest (Maguire et al., 2001, p. 289). However, trust can also be achieved through negotiating meaning involving partners’ needs, choices and preferences, which is what Maguire et al. (2001) refer to as “identification based trust” or “identity based trust”. Identification based trust is achieved when partners “effectively understand, agree with and endorse each other’s wants” (p. 290). Thus, in addition to the studies of trust-building practices summarised above that focus on expectation management, several studies concentrate on how to negotiate meaning and build understanding in partnerships from a discursive perspective; or, in other words; how to make sense of partnerships (Selsky & Parker, 2010). These contributions are closely related to the theme of trust, but also extend beyond it. Communication and identity work are key topics in this line of research.

### *Communication and identity work*

As mentioned above, the discursive approach challenges the idea that partnerships are relatively stable forms of organisation and instead defines partnerships as a “precarious set of communicative relationships, embodying many tensions” (Lotia & Hardy, 2009, p. 9). In line with Vangen and Huxham’s idea of facilitative and pragmatic leadership, numerous studies focus on how managers of partnerships “juggle” (Hardy et al. 2006), “grapple” (Vangen & Huxham, 2005) or “cope” (Lewis et al., 2010) with various types of partnership tensions through communication.

For example, Hardy et al. (2006) offer a framework for effective “collaborative conversations” that addresses the tension between the obligations that individual collaborators have towards colleagues and partners. Effective collaborative conversations have four characteristics: First, participants can connect to the problem and to each other and demonstrate an interest in continuing conversations

about it. Second, participants are willing to put aside their individual interests and identify with partners to work together on common solutions. Third, there is sufficient coherence in language, interpretations and symbols among conversation partners to construct shared meanings and understandings. Finally, collaborative conversations create a joint contribution to collaborative outcomes through the mutual definition of problems, solutions and processes (p. 108). Hardy et al. (2006) emphasise that effective conversations should not eradicate or ignore the tensions between constituency and collaboration as this, they argue, may jeopardise the collaboration. Rather, effective conversations must sustain tension in a way that benefits the collaboration. The latter point is in line with Vangen and Huxham's (2003a) work on leadership presented above, while it is also stressed by Tomlinson (2005) who studies tensions between idealistic discourses where partnership is presented as "a good thing" and pragmatic discourses that represent partnerships largely in terms of "the instrumentality of stakeholders" (p. 1183-1184). For example, in the partnership discourse, the reason for joining a partnership is to share good practice and networking while in the pragmatic discourse, the reason is to access resources (p. 1183). Though such discourses are often in tension, Tomlinson shows how partnership managers use both to explain different aspects of their own and others' involvement in partnerships suggesting that idealistic and pragmatic discourses should not be seen as "bipolar opposites", but as interrelated aspects of partnership working (p. 1185).

Other studies of communication in partnerships have investigated "emotional engagement practices" that facilitate inter-personal trust (Sloan & Oliver, 2013), the use of leadership roles, we-orientation and mission statements as a way to deal with tensions (Lewis et al. 2010) and, finally, identity work, which is a key topic I discuss below.

### *Identity work*

Drawing on the idea that identity is socially constructed and not a characteristic of or the essence of an individual, Schwalbe and Mason-Shrock define identity work as activities undertaken by partners "individually or collectively, to give meaning to themselves or others" (in Maguire & Hardy, 2005, p. 12). Identity work may both be a way to influence strategic outcomes and a way of constructing identities that are better able to collaborate and generate trust (ibid). For example, in a case study of partnerships on HIV, Maguire and Hardy (2005) demonstrate how successful collaborators constructed their identities in ways that provided them with legitimacy to speak on the behalf of their organisations (constituency) as well as to potential partners. In this case, achieving legitimacy involved three contradictory yet simultaneous processes of identity work where the individual collaborators identified with their respective organisations, "counter-identified" by constructing themselves as different from the core members of their organisations and "dis-identified" by constructing themselves as being on the periphery of their home

organisation and capable of bridging to their partners (p. 23). Other types of identity work identified in this case study related to the construction of “complementary identities” that were different from the identities of the respective constituencies, but still allowed collaborators to identify with their home organisations (Maguire et al., 2001, p. 299). Finally, discourse can also be used to create “collective identities” for collaborations (Hardy et al., 2005).

Summarising the first two themes in the literature, there is a large body of literature on the “mechanics” of social partnerships i.e. why they are formed, how they evolve and what it takes to manage them. The research which focuses on outcomes and value of social partnerships is closely related to the theories about partnership formation, evolution and management, but it is also a specific “research cluster” (Selsky & Parker, 2010).

## 2.4. VALUE AND VALUE CREATION

For those scholars that focus on value and value creation, the general rationale is that the pursuit of betterment in one way or the other is fundamental for understanding and optimising social partnerships. As a prominent example, the starting premise for the Collaborative Value Creation (CVC) framework, which I present below, is that value creation is the “central justification” for partnerships (Austin & Seitanidi, 2012a, p. 728). Further, it is emphasised that the theme of value cuts across the partnering process. As Austin (2010b) puts it; “At the heart of effective collaboration is value creation. It is what motivates, sustains, and produces impact from cross-sector partnering” (p. 13).

Overall, in my review of the literature, I have not come across any sources that dispute the importance that these scholars attach to the notion of value in the context of social partnerships. Certainly, as described above, critical management scholars question the goodness of intentions and hence the potential outcomes of social partnerships in terms of benefitting the greater good, but they do not seem to question that benefitting in the first place is a motivation for engaging.

In the following sections, I explore the literature on value and value creation in greater depth. First, I look at the perspectives that view value as a condition for social partnerships. Next I explore the literature that examines value as a motivation for and an outcome of social partnerships and, finally, I present different perspectives on value creation. I discuss and conclude the review in section 2.5.

### **2.4.1. VALUE AS CONDITION: VALUE LOGICS**

As highlighted in the section on challenges to social partnerships above, partnership management is often considered difficult, because the partners belong to different economic sectors, are embedded in different institutional fields and “guided and constrained” by different institutional logics (Thornton & Ocasio, 1999, p. 804). This is also a key premise in the literature emphasising value and value creation. As noted by Le Ber and Branzei (2010b), the profit and non-profit divide is a central notion in the social partnership literature rooted in the idea that partners operate with different value logics defined as “interpretations of value which comprise the organising principles of what is valued and valuable in the institutional setup of a field” (p. 165). According to these logics, for-profit partners primarily pursue economic value creation and financial gains, while not-for-profit partners are primarily driven by social missions and the provision of socially necessary goods and services (Le Ber and Branzei, 2010b). Related to the for-profit / not-for-profit dichotomy is the distinction between self-interest and altruism, which is another recurring theme in social partnership research (Selsky & Parker, 2005). From a collaboration perspective, self-interest is generally seen as bad and counterproductive to collaboration, whereas altruism is good and facilitates collaboration.

While most scholars tend to agree that different value logics constitute a potential challenge in social partnerships, there is, however, also a strong belief that the combination of value logics can lead to potentially powerful outcomes for social partnerships.

### **2.4.2. VALUE AS MOTIVATION AND OUTCOME: BENEFITS**

Somewhat paradoxically, although the word “value” is widely used in the social partnership literature, I have not been able to find any sources that define it as such. In section 2.2, I described how the rationale for partnering is largely explained as a response to problems which implies that organisations will gain from partnerships in terms of moving from a bad or not so good state to a better one. In this light – and in the light of the dominant economic sector view described above – it is perhaps not surprising that the articles that discuss “value” in relation to social partnerships tend to use the term more or less synonymously with the word “benefit”. In the same vein, it is common-place to assess the feasibility and judge potential outcomes through a cost-benefit lens (Lewis et al. 2010, p. 461) and define valuation in social partnerships as the “weighing” of costs and benefits (Austin, 2000, p. 78). In fact, the cost-benefit lens was already centrally placed in Waddock’s introductory article where she suggested asking the following questions to determine whether a social partnership is feasible (emphasis added):

“How important is resolution of this issue to each partner? Can each partner be brought to see the importance of the issue after having been educated about it? **What is in it for each potential partner? What benefits, long or short term will accrue to the partner? Do the benefits exceed the costs?** Are the potential partners truly interdependent for resolution of this issue, or can one of them do it alone? What value can each of the partners add?” (Waddock, 1988, p. 20).

With these questions she also indicates that value is not only a question of individual benefits for each partner, but also a question of the “added value” associated with collaborating on an issue that partners depend on each other to resolve (Waddock, 1988, p. 19). This idea has since been further developed through the notion of collaborative advantage which is defined as “...meeting an objective which no individual organization could have met alone and achieving the objectives of each collaborating organization better than it could alone” (Huxham & Macdonald, 1992, p. 51). Furthermore, ideas of mutual benefits, “win-wins” and partnership synergies are central in many scholars’ understanding of social partnerships. For example, with reference to Wilson and Charlton, Googins and Rochlin (2000) emphasise that cross-sector partnerships are mutually reinforcing systems where “corporations and communities can maximize their goals” (p. 131). In the synergistic view, the partners’ pursuit of different types of benefits can be what makes them compatible and the “different optimizing functions” in different sectors enhance the chances of finding “mutually agreeable shared benefit formula” (Austin, 2010b, p. 13). Not surprisingly, several researchers are preoccupied with the question of how “business value” and “social value” can be combined in a virtuous value creation circle that simultaneously maximises business value and social value (for example Marquez et al., 2010; Cornelius & Wallace, 2010; and Porter & Kramer, 2011).

But what are the benefits of social partnerships in general and for companies in particular? Austin and Seitanidi (2012a) argue that there is a need to enhance understanding of the multiple dimensions of value at the individual as well as partnership level in partnerships between “business and nonprofits” and, therefore, offer the Collaborative Value Creation framework (CVC). Again, the cost-benefit lens is used to define value with “collaborative value” being defined as “the transitory and enduring benefits relative to the costs that are generated due to the interaction of the collaborators and that accrue to organisations, individuals and society” (p. 728).

Drawing on the resource dependence perspective, the CVC framework identifies four potential “sources of value” and four “types of collaborative value” (Austin & Seitanidi, 2012a, p. 729-731). The sources of value are: Resource complementarity, resource nature, resource directionality and linked interests. The value types are

first “associational value” which is “a derived benefit accruing to another partner simply from having a collaborative relationship with the other organisation” (p. 730). Second, “transferred resource value” is the “benefit derived by a partner from the receipt of a resource from the other partner” (p. 731). Third, “interaction value” is “intangible” value such as reputation, trust, knowledge and learning that derives from partners working together. Finally, “synergistic value” comes from the combination of partners’ resources that “enables them to accomplish more together than they could have separately” (ibid).

Based on a comprehensive literature review, Austin and Seitanidi summarise the benefits and costs of social partnerships for companies (figure 2.5).

*Figure 2.5 Benefits and costs of social partnerships for companies (Austin & Seitanidi, 2012b, p. 946-948)*

<b>BENEFITS</b>	<i>Sources cited by Austin &amp; Seitanidi, 2012b, p. 946-948</i>
<b>Associational value</b>	
Credibility	Austin, 2000a, 2000b; Heap, 1998
Company, brand reputation, and image	Alsop, 2004; Greenall & Rovere, 1999; Heap, 1998; Yaziji & Doh, 2009
Legitimacy	Glasbergen & Groenenberg, 2001; Heugens et al., 2002; Yaziji & Doh, 2009
Increased sales	Gourville & Rangan, 2004; Polonsky & Macdonald, 2000; Steckel & Simons, 1992
Broader usage of products/services	Gourville & Rangan, 2004; Polonsky & Macdonald, 2000
Improved media exposure	Seitanidi, 2010
Public support	Gourville & Rangan, 2004
Greater stakeholder loyalty	Gourville & Rangan, 2004; Ishikawa & Morel, 2008
Stakeholder communication and accountability	Andreasen, 1996; Bowen et al., 2010; Pearce & Doh, 2005
<b>Transferred value</b>	
Market intelligence and development	Milne et al., 1996
Competitiveness	Porter & Kramer, 2002
Second-generation customers	Seitanidi, 2010
<b>Interaction value</b>	
Access to networks	Ishikawa & Morel, 2008; Millar et al., 2004; Seitanidi, 2010
Technical expertise	Polonsky, 1996; Stafford & Hartman, 1998
Community and government relations	Austin, 2000a; Pearce & Doh,

	2005; Seitanidi, 2010
Corporate values	Austin, 2000b; Crane, 1997
Decreased long- and short-term costs	Newell, 2002
Speeding up approval for license to operate	Ishikawa & Morel, 2008
Exposure to different organizational culture	Seitanidi, 2010
Increased potential meeting government's and society's priorities	Seitanidi, 2010
More political power within non-profit sector	Seitanidi, 2010
Improved accountability	Seitanidi, 2010
Employee-specific benefits: morale, recruitment, motivation, skills, productivity, and retention	Bishop & Green, 2008; Googins & Rochlin, 2000; Pearce & Doh, 2005; Porter & Kramer, 2002; Seitanidi, 2010; Turban & Greening, 1997
Investor-specific benefits: increased allegiance, investor recruitment fit	Gourville & Rangan, 2004
Consumer-specific benefits: consumer preference	Brown & Dacin, 1997
Reduced asymmetry between consumer and business; market, product, process innovation, and learning	Austin, 2000b; Googins & Rochlin, 2000; Kanter, 1999
External risk management	Bendell, 2000a; Das & Teng, 1998; Selsky & Parker, 2005; Tully, 2004; Wymer & Samu, 2003
Psychological satisfaction of employees and new friendships	Seitanidi, 2010
<b>Synergistic value</b>	
Product and process innovation and learning	Austin, 2000a; Kanter, 1999; London et al., 2005; Seitanidi, 2010; Stafford et al., 2000; Yaziji & Doh, 2009
Better risk management skills	Tully, 2004
Adaptation of new management practices due to the interaction with non-profit organizations	Drucker, 1989
Increased long-term value potential	Austin, 2000a, 2000b
More political power within sector and society due to partnership networks	Seitanidi, 2010
<b>COSTS</b>	
Increased need in resource allocation and skills; increased risk of losing exclusivity in social innovation	Yaziji & Doh, 2009
Internal and external scepticism and scrutiny	Yaziji & Doh, 2009
Potential for reduced competitiveness due to open access innovation	Stafford et al., 2000
Increased credibility costs in case of unforeseen exit of a partner from partnership or reputational damage due to missed opportunity of making a difference	Steckel, Simons, Simons, & Tanen, 1999



The listed benefits and costs for companies gives the impression that companies have a lot to gain from partnerships and, it seems, less to lose. Or rather, the benefits to companies seem to have been given significantly more attention in research than the costs. However, as Austin and Seitanidi (2012a) point out, the CVC framework provides an overview of the potential sources and types of value (p. 729). With the exception of associational value, which is argued to “accrue” to partners from “simply” being involved in the collaboration (p. 730), the other types of value on the list are not pre-established; they need to be created. In the following section, I take a closer look at how value creation is approached in the literature.

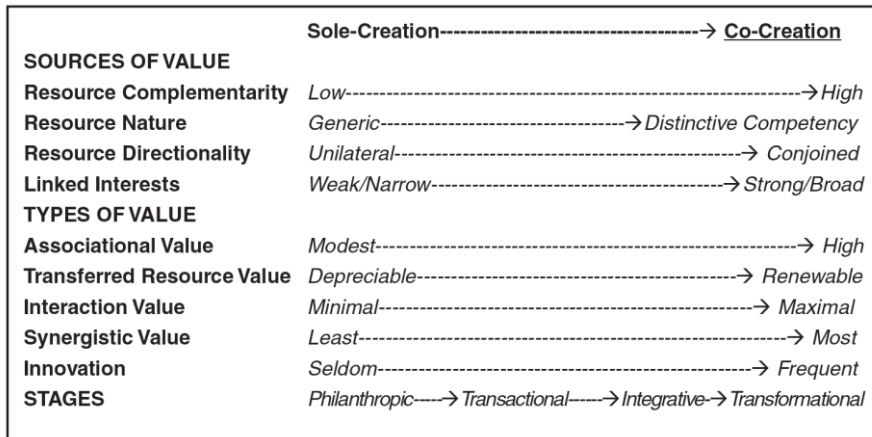
### 2.4.3. VALUE CREATION IN SOCIAL PARTNERSHIP

In reading the literature, I have identified three different perspectives on value creation: 1) value creation as a function of relations; 2) value creation as process; 3) value creation as communication (processes).

#### *Value creation as a function of relations*

The research on value creation in social partnerships tends to focus on how “social” and synergistic types of value can be achieved or “co-created” (for example, Googins & Rochlin, 2000; Le Ber & Branzei 2010b; Austin & Seitanidi, 2012a and 2012b). In this perspective, value creation is largely conceptualised as a function of the resource exchange and the relationship between the partners (figure 2.6). For example, Googins and Rochlin (2000) outline an evolving “value exchange relationship” which is designed to “encourage partners to consider what type of relationship or commitment they need to make in order to ensure that value generation goals are achieved” (p. 138-139). Adding a fourth stage of “transformational collaboration” to the collaboration continuum (figure 2.1), Austin and Seitanidi hypothesise that the chances of innovation and co-creation of synergistic value with social impact, which they argue is a “greater” (Austin, 2010b, p. 14) and “superior” type of value (Austin & Seitanidi, 2012b, p. 944), are higher when partners complement each other, leverage their distinct competencies, have a two-way flow of resources and strongly linked interests (Austin & Seitanidi, 2012a).

Figure 2.6: *The Collaborative Value Creation Spectrum* (Austin & Seitanidi, 2012a, p. 745)



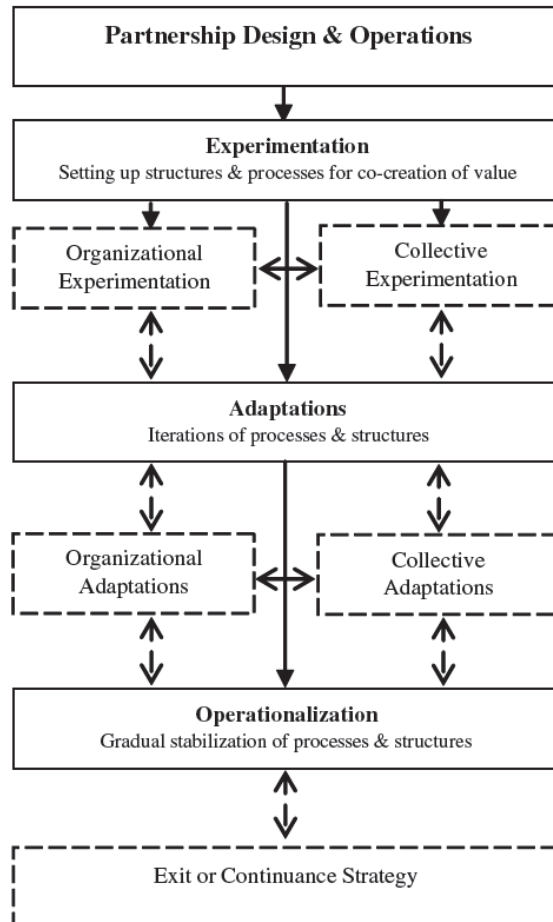
From an identity perspective, but still with a focus on relations and social value creation, Brickson (2007) argues that an organisation's identity orientation has an influence on its potential to advance particular types of social value both inside and outside the organisation. Organisational identity orientation is the "nature of assumed relations between an organisation and its stakeholders as perceived by members" of the organisation (p. 864). Where members of individualist organisations perceive the organisation as a sole entity distinct from others, members of collectivist organisations see the organisation as a member of larger groups of community and evaluate themselves on the basis of their contribution to these groups (Brickson, 2007).

### *Value creation as process*

As mentioned, the CVC framework builds on the collaboration continuum where value creation is seen as a function of the collaboration stage, but it also adds a new perspective by exploring how the processes and sub-processes in partnership formation and evolution contribute to value creation. Drawing on Seitanidi and Crane's (2009) process model presented above, Austin and Seitanidi (2012b) argue that the early stages of "partnership formation" and "partner selection" are critical for realising value "emerging from resource complementarity" and for determining the value creation potential of the partnership (p. 931). The assessments of the partnership potential, the operational complementarity between partners and the potential risks that are carried out in these stages can have a significant influence on the actual outcome of partnerships. The "partnership implementation" (design) process is considered to be the "value creation engine of cross-sector interaction" (p. 936) where "valuable intangibles" are produced through working together (p. 937). As illustrated in figure 2.7, in this perspective, experimental and iterative

design processes that take place at the organisational and partnership level may eventually add what Andreasen refers to as “structural and purpose congruency” (cited in Austin & Seitanidi 2012b, p. 937) and stabilise partnership processes and structures which contributes to partner compatibility and generates interaction value (ibid). Examples of such design processes are goal setting and agreeing on partnership organisation and management, for example, through the drafting of a partnership agreement or a Memorandum of Understanding (ibid).

Figure 2.7: Value creation processes in Partnership Design and Operations (Austin & Seitanidi, 2012b, p. 939)

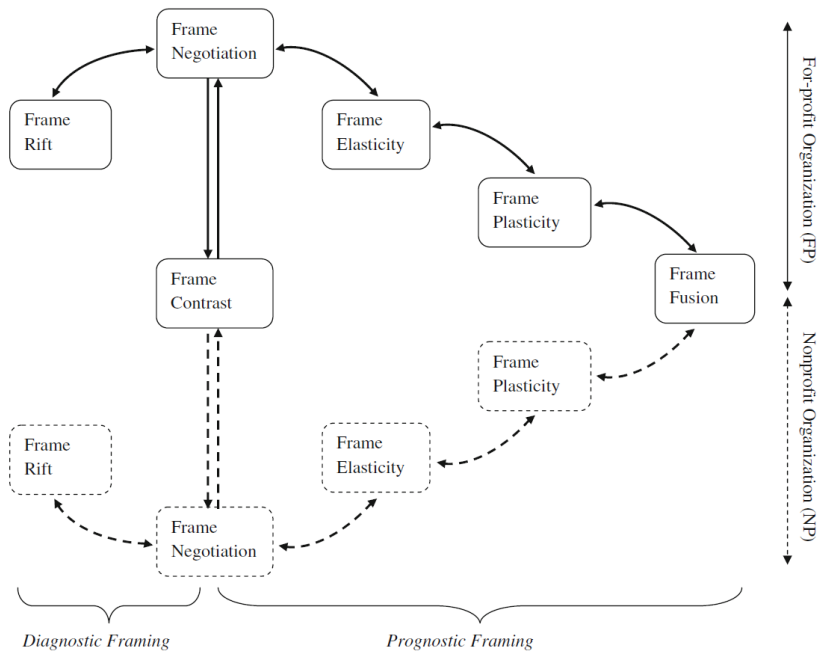


Austin and Seitanidi (2012b) emphasise that interaction value (e.g. trust, relational capital, learning, knowledge, joint problem solving) is also generated through less structural measures such as the leadership, trust-building and communication and identity work described above – work that Austin and Seitanidi refer to as “trust-based governance” (p. 938). In this connection, Austin notes that a particular challenge in value creation is that it can be difficult to assess the value (Austin, 2010b, p. 14). He recommends that partners try to quantify the benefits and weigh them against costs (Austin, 2010a, p. 90), but appreciates that when quantification is impossible and when impacts that occur over long periods of time are hard to attribute, the assessment of value may boil down to a perception of what is “perceived” as a “fair exchange” (Austin, 2010b, p. 13).

In the partnership “institutionalisation” process, the partnership is embedded within each organisation and has reached what Le Ber & Branzei refer to as “value frame fusion” (Austin and Seitanidi, 2012b, p. 940). At this stage, partners speak the “same language” and may start new “cycles of value creation” where they develop new capabilities, value propositions and value frames, but this depends on the “quality of the processes; the evolution of the partners’ interests, capabilities, and relationships and changes in the environment (ibid).

Le Ber and Branzei’s work on value frame fusion (2010b) and role (re)calibration (2010a) in social partnerships are other examples of process based contributions to the study of value creation. In addition to analysing value creation as a process, they also emphasise and describe the work that is involved. As mentioned above, Le Ber and Branzei (2010b) base their research on the value logics perspective and are concerned with understanding how “cross sector partners come to recognise and reconcile their divergent value creation frames in order to co-construct social value” (p. 163). Drawing on Goffman, Kaplan and Snow et al., Le Ber and Branzei define frames as “collectively negotiated understandings that punctuate framing processes by providing shared interpretations of people, events, or settings” (p. 163). According to Le Ber and Branzei, value frame fusion involves “effortful processes” where for-profit and non-profit partners deliberately and “iteratively revise their own frames in relation to each other to reach common ground” (p. 164). Figure 2.8 illustrates four parallel framing processes that unfold “simultaneously and relationally” for the for-profit and non-profit “arms” of the partnership (p. 183).

Figure 2.8: Value frame fusion (Le Ber &amp; Branzei, 2010b, p. 184)



In frame negotiation, value frames are negotiated by moving back and forth between two diagnostic framing processes: frame contrast and frame rift. In the process of frame contrast, partners deliberately juxtapose and compare each other's frame. In the process of frame rift, they jointly recognise that changes are taking the partnership in a different direction than one, or often both, partners desire. The prognostic framing processes called frame elasticity and frame plasticity help partners find solutions to social problems. Frame elasticity helps partners experiment with and interpret possible solutions (Benford and Snow, in Le Ber and Branzei, 2010b, p. 181). However, frame elasticity is not enough to "reach a shared appreciation of each other's complementarities" (ibid). In their study, Le Ber and Branzei observed a fourth process which they refer to as frame plasticity, which refers to the partners' efforts to take in some parts of their new understandings while rejecting others. Hence, frame plasticity is a process of compromising between prior understandings and new understandings. According to Le Ber and Branzei (2010b), frame plasticity does not "strive for frame alignment within the partnership but rather facilitates inner alignment across each partner's sector-, partnership- and organization- specific understanding of what social value is and how it can best be co-created" (p. 181). As an outcome of these framing processes, partnerships may reach value frame fusion which is defined as "the construction of a new and evolving prognostic frame that motivates and disciplines partners' cross

sector interactions while preserving their distinct contribution to value creation” (p. 164).

Le Ber and Branzei (2010a) have also analysed how the alignment of partnership roles and relationships affects the potential of social innovation and social value creation. Their conclusion is that success or failure depends on partners motivation to iteratively realign their roles and on how they frame their interaction. Their starting point is that role alignment and re-alignment is “ubiquitous and iterative” and that partners continuously engage in relational processes that help them appraise progress towards their goals and partnership goals (p. 145). What they found in their study was that accounts of success or failure could trigger both individual and mutual role (re)calibrations. When, for example, a contract was signed or funding was granted, this stimulated role recalibration and provided new “impetus for value renewal” (p. 159). Setbacks, change in management or failure to find funding had the same effect.

In summary, the literature presented in this section focuses on value creation processes from a (neo) institutional perspective where for profit and not for profit partners seek to overcome their differences. In the section below, I introduce a third perspective on value creation that is also process based but involves a different perspective on social partnerships. Furthermore, as in the example of Le Ber and Branzei’s work presented above, it foregrounds the work involved in value creation.

#### *Value creation as communication*

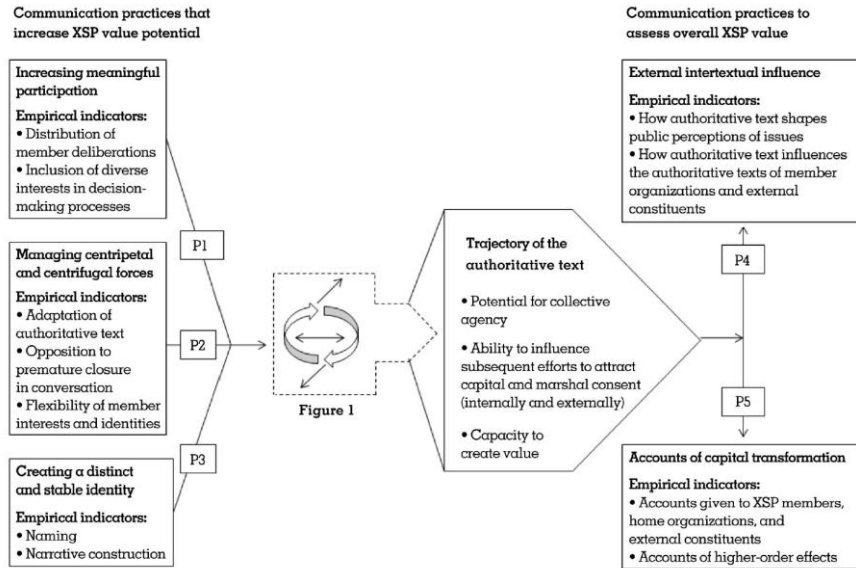
Koschmann et al. (2012) base their study of value creation in XSPs (their abbreviation of cross-sector partnerships) on the perspective that communication constitutes organisations (CCO) (Taylor & Van Every, 2000). Based on this, they view cross-sector partnerships as a “distinct organisational form that is constituted primarily through communication patterns as opposed to hierarchies, markets, or resource flows” (p. 334) and depict them as “textual co-orientation systems that emerge from situated communication processes” (ibid).

When it comes to the question of the value of XSPs, the main argument is, therefore, that assessing and increasing the value of partnerships must be based on processes that are associated with communicative constitution. Hence, in the CCO perspective, the assessment of value is not an “objective determination of organisational success” (Koschmann et al., 2012, p. 345-346). Instead, it focuses on how well the organisation “secures the legitimate right to continue to appropriate the capital of the individuals and collectives associated with it” (ibid). Capital being individuals’ commitment of time and effort, firms’ commitment of funds, government’s commitment of reputation and legal authority and civil society organisations’ commitment of knowledge and passion (ibid). Koschmann and colleagues, however, are not preoccupied with the value of partnerships at the

individual level, but at the partnership level. In their view, the value of partnerships is their existence as “distinct entities” as well as their capacity to act, i.e. to make a difference to people and to the communities and “problem domains” in which they operate (ibid). Such “collective agency” emerges as an “authoritative text” which “represents the collective, shows how its activities are connected in relative unity and portrays the relations of authority and criteria of appropriateness that become manifest in practice”. Further, it can “impact subsequent efforts to marshal the willing consent of others so as to attract the necessary capital to be successful” (p. 336-338). Koschmann et al., point to three communication practices that shape the authoritative text and increase the value potential. These are the increase of “meaningful participation”, the management of the forces that draw people together towards a group identity (centripetal) and the forces that separate and divide people (centrifugal), and finally the creation of a distinct and stable partnership identity. Further, they identify two communication practices that “manifest” the value of the partnership for stakeholders. These are “external intertextual influence” and “accounts of capital transformation” that partnership members make to their home organisations to demonstrate the value of the partnership and “justify” the organisation’s engagement (p. 346).

The five communication practices are pictured in figure 2.9 with specific “empirical indicators” that are supposed to be used when assessing how well a partnership is doing in terms of these practices – and hence in terms of potential and overall value.

Figure 2.9: Communication practices to increase and assess cross-sector partnership value (Koschmann et al., 2012, p. 339)



In summary, in the CCO perspective the value of partnerships, defined as collective agency, is created through communication.

In the review of the literature on value and value creation that I have presented in this section, I did not find one clear definition of “value”, but a lot of knowledge was gained about how value is approached and understood in this research strand. First, building on the functionalist idea that social partnerships are a way to optimise or improve a situation, understanding value in the context of social partnerships is positioned as crucial for understanding and optimising partnerships. Second, a prominent understanding is that partners are embedded in different sector-based value logics, which are argued to be both a potential challenge to partnerships, but also a potential “source” of value and, not least, “added” value. Third, as a motivation for and a potential outcome of partnerships, value is largely equated with “benefits” and assessed in a cost-benefit lens where valuation is conceptualised as the weighing of costs against benefits. Defined as potential benefits, value may come in many different forms, tangible and intangible, “social” and “business” value, and “accrue” to partners at the individual as well as collective “levels” in short-term or longer term time horizons. Fourth, the value potential is not realised as an outcome of partnerships until it has been created. Value creation is generally approached as a function of the relation between partners and it happens – or fails to happen - in the emergent, experimental and iterative processes



where partners work individually and together to form and implement partnerships. In a CCO perspective, value creation can also be seen as a communication process where value emerges from and is shaped through particular communication practices.

In the following and concluding section, I discuss where this leaves me with respect to my general research interest.

## 2.5. SUMMARY AND CONCLUSION

The purpose of this chapter was to provide an overview of the social partnership literature and to review the literature with a particular focus on the question of value in general and the value of corporate engagement in particular.

In the section on partnership formation and evolution and partnership management and leadership, I found that the primary debate is located between a functionalist and a critical perspective on social partnerships. As the cross-sector (institutional) lens is shared between these perspectives, the key difference is that critical management scholars put emphasis on the power struggles and collaborative tensions in partnerships through discourse analysis and an analysis of discursive work. The functionalist perspective was also highly visible in the debate on value and value creation, in particular through the focus on gaining as the central justification for social partnerships and the sector-based focus on value logics and benefits and costs. Critical management scholars question the idea that companies are willing to pursue benefits beyond their own interests, but did not otherwise seem to have a particular or direct focus on the questions of value or value creation. Section 2.4 also introduced a third perspective that approaches social partnerships as communication (CCO). Table 2.1 summarises the main ideas about social partnerships and value and value creation according to these three perspectives.

*Table 2.1: Research perspectives on social partnerships*

	<b>Functionalist/strategic perspective</b>	<b>Critical/discourse perspective</b>	<b>CCO (Koschmann et al. 2012)</b>
Social partnerships are	Cross-sector problem solving mechanisms and companies engage because they need a resource (often legitimacy), face a problem in their environment and/or want to implement CSR strategies.	Cross-sector arenas where companies and other organisations use their power to shape the partnership and advance individual agendas.	An XSP (cross-sector partnership) is “a distinct organisational form that is constituted primarily through communication patterns as opposed to hierarchies, markets, or resource flows” (p. 334).
Main analytical approach	Analysis of the coordination between institutional fields, institutional logics and/or problem domains.	Discourse analysis (in institutional fields, logics and/or problem domains).	Text and conversation analysis.
Partnership formation and evolution	Partnerships emerge and evolve through stages in iterative and cyclical processes.	Partnerships are “social accomplishments” (Lotia & Hardy, 2009) that come about over time through iterative processes where individuals from different organisations work together while representing the interests of their organisations.	Partnerships emerge through processes of communicative constitution.
Partnership management	Management of inter-organisational problems of coordination, control and legitimacy and problems of understanding that stem	Management of tensions between constituent and partner organisations and between ideology	-

	from different organisational / field logics.	and pragmatism.	
Value is	<p>A condition and a potential resource: Value logics (for profit vs not for profit, self-interested vs altruistic).</p> <p>A motivation and a potential outcome: Benefits weighed against costs.</p>	The same as in the functionalist perspective, but it is naïve to assume that partnerships will benefit society at large.	A question of how well the organisation “secures the legitimate right to continue to appropriate the capital of the individuals and collectives associated with it” (p. 345).
Value creation is	<p>A function of the cross-sector relationship.</p> <p>A process(es) that is an integral part of partnership formation and implementation processes where value frames and partner roles are deliberately worked with.</p>	-	Processes of communicative constitution where different communication practices “shape the authoritative text and increase the value potential and manifest the value of the partnership for stakeholders” (p. 338).

Now, what can I build on and how may I potentially contribute to social partnership research with a particular focus on the questions of value and value creation?

Starting with the question of what value is in the context of social partnerships, I find that there are one or more paradoxes at play; or at least, I am still puzzled about this question. On the one hand, “value” is widely referenced as a very important (if not the most important) theme. On the other hand, “value” is not defined and it is referred to as a condition, a (re)source, a motivation and an outcome. When “value” is addressed as the result of a weighing of benefits against costs, it is, on the one hand, referred to in essentialist terms as an outcome – tangible or intangible - that “accrues” to somebody, i.e. it is an outcome that is somehow “out there” to be received, assessed as a certain type, maximised, quantified and measured. On the other hand, the same authors that tend to refer to value in this way emphasise that

benefits may be hard to measure and point out that sometimes benefits are not calculated, but agreed upon among partners. In a similar vein, the “business case” for social partnerships is presented as being well-described with a long list of the benefits that companies may “secure” from partnering, but at the same time, the process based approach to value creation highlights that the benefits from partnering are not pre-established, but are created in partnership processes and through partnership work and not – as the term otherwise tends to suggest – in a “value creation” process that is separate from other partnership processes. In other words, the relevant research question does not seem to be what the business case is, but rather how it is done.

As highlighted by Austin and Seitanidi (2012a), in the social partnership field in general, there is a need for “field-based research” that documents value creation (p. 744). Responding to this call and taking inspiration from the process based approaches to value creation, with this study I aim to contribute a case of value creation in practice. Recognising that the “business case” of partnering is already well described as the potential beneficial outcomes for companies, this study aims to contribute to the literature by exploring how qualities such as “reputation”, “access to networks” and “cost savings” are established as beneficial. Such a study can be approached in different ways. As discussed above, with the exception of Koschmann et al., so far the majority of process based studies of value creation have drawn on (neo) institutional theory which implies that the people involved in partnerships are embedded in for-profit (business)/ not-for-profit (social) value logics. In partnering processes, they work with value frames and partner roles and “deliberately” try to change these, but they are also constrained by sector-based logics. At the same time, these studies tend to take the cost-benefit lens for granted and treat value as the eventual and fairly stable benefit(s) that result from the experimental and iterative processes of value creation. Furthermore, these contributions rest on the assumption that “value” expressed as benefits motivates and sustains collaboration.

With this, I return to the puzzle that “value” is firmly established as a key theme in the literature, but that the numerous assumptions about what value is and what role it plays in partnerships are not really questioned. In other words, there seems to be a potential to contribute to the literature, not only with a case of value creation in practice, but also with a research approach that questions value instead of making assumptions about it. This is what I explore in the following chapter in which I discuss the field of valuation studies and develop my analytical framework and research proposition.

## CHAPTER 3. VALUATION

In search of a theoretical framework that can help unpack the notions of “value” and “value creation” in the context of social partnerships, in this chapter, I introduce an emerging field that studies valuation as social practice. First, I briefly introduce the field and how valuation scholars define and debate value and valuation. In the following section, I elaborate two approaches to the study of valuation with a particular focus on the pragmatist approach (Caliskan & Callon, 2009) because this is the approach I use in my analysis. In the concluding section, I develop and present my analytical framework. The research position and design is further elaborated in chapter 4.

### 3.1. AN EMERGING FIELD

Valuation studies springs from science and technology studies and economic sociology and is largely informed by actor-network theory (Latour, 2005)<sup>1</sup>. The field, however, cuts across several disciplines including sociology, economic sociology, science and technology studies, management and organisation studies, social and cultural anthropology, history, market studies, institutional perspectives in economics, accounting studies, cultural geography, philosophy, and literary studies (Helgesson & Muniesa, 2013).

With a focus on valuation as social practice, valuation studies seek to bring together researchers who study how the value or values of something emerge, i.e. how value or values are established, assessed, negotiated, provoked, maintained, constructed and/or contested (Valuation Studies, 2016). In contrast to the literature on social partnerships that tended to examine “value” and “value creation” based on a set of assumptions, what constitutes “value” and “valuation” is a core question in valuation studies. To introduce some of the responses to this question, I follow Jan Mouritsen’s suggestion to distinguish between “value” as a noun as in “there being

---

<sup>1</sup> Actor-network theory (ANT) was formed in Paris in the 1980s by sociologists Bruno Latour and Michel Callon and is defined as “a disparate family of material-semiotic tools, sensibilities and methods of analysis that treat everything in the social and natural worlds as a continuously generated effect of the webs of relations within which they are located...” (Law, 2009, p. 141). ANT will be further elaborated in the course of this chapter and in chapter 4.

things that are values, and objects that have value” and “value” as a verb as in the act of valuing something (Kjellberg, Mallard et al., 2013, p. 18).

### 3.1.1. “VALUE” AS A NOUN

Continuing the grammar discussion, some scholars distinguish between value in the singular and values in the plural. In the singular, value is defined as the outcome of valuation and in plural it is referred to as the standards, rules, norms or ideals used to perform such valuations (Kjellberg, Mallard et al., 2013 p. 19). Another, more substantial, distinction is found within the field of sociology. Here, historically, scholars have distinguished between “value” as an economic term and “values” as a social and moral term. According to Stark (2009), this distinction dates back to the 1930s and what he describes as the “founding moment of economic sociology” when Talcott Parson - a sociologist at Harvard - walked down the university corridors and made a pact with the economists at Harvard: “You economists study value and we the sociologist will study values – you will have a claim on the economy, we will stake our claim on the social relations in which economies are embedded” (p. 7).

Since then, scholars of economic sociology and new economic sociology have contested that there is a boundary between the economy and society and established that the economy is indeed “embedded and enmeshed in institutions, economic and non-economic” (Polanyi, Arensberg & Pearson, 1957, cited in Caliskan & Callon, 2009, p. 381). Obviously, this is an argument that also brings the “social” in “social partnerships” and the typical distinctions between “business value” and “social value” found in the social partnership literature into question. I will return to this observation in section 3.3 and chapter 4.

The book *On Justification - the Economies of Worth* by Luc Boltanski (a sociologist) and Laurent Thévenot (an economist and statistician) has inspired widespread use of the term worth as one way to bridge the gap between value in an economic sense and values in a social sense. As Stark (2009) argues, the advantage of “worth” over “value” is that it has connotations with an economic good as well as a moral good and that it recognises that the economy has “a moral component” (p. 7-8). In contrast to value, however, worth only exists as a noun. To talk about how worth is established, we must therefore turn to “value” as an activity, i.e. valuation.

### 3.1.2. “VALUE” AS A VERB

The definition and study of valuation is often attributed to the American pragmatist John Dewey<sup>2</sup> (1859 – 1952). In Muniesa’s (2011) account, John Dewey was dissatisfied with what he labelled a binary approach to the study of value which moved back and forth between idealism and realism. In Dewey’s analysis, the scientific debate about value at his time tended to start with an idea – a social construction of value as “something that something has by virtue of how people consider it” (Muniesa, 2011, p. 24). At some point, however, the analysis would diverge from the ideal and turn into a debate about what the thing being valued is worth based on its own condition in relation to objective standards and fundamental metrics as for example work or money.

To pull the debate away from the “idealistic-realistic controversy”, Dewey, among other things, argued that value should be studied with a focus on activity, process or the practice of valuation rather than as something in itself. In fact, in his view, “value” or “values” do not exist, but are only a “convenient abbreviation” for a thing possessing the “undefinable quality of value”:

“[s]peaking literally, there **are** no such things as values. . . . There are things, all sorts of things, having the unique, the experienced, but undefinable, quality of value. Values in the plural, or value in the singular, is merely a convenient abbreviation for an object, event, situation, **res**, possessing the quality. Calling the thing a value is like calling the ball struck in baseball, a hit or a foul”. (Dewey, 1923 cited in Muniesa, 2011, p. 25, emphasis in the original).

Dewey (1922) uses the term valuation to denote the process of estimating values not in existence and bringing them into existence (p. 332). As emphasised in the quote above, the quality of value can be hard to define and the study of valuation is, therefore, also associated with the particular challenge of bringing value into existence in situations of doubt and limited knowledge. In such “indeterminate situations,” valuation is an experimental process of inquiry (Stark, 2009, p. 185):

---

<sup>2</sup> Psychologist, philosopher and educational reformer, John Dewey was a founding father of the philosophy of pragmatism together with Charles Sanders Peirce and William James. The pragmatist school of thought originated in the US in the 1870s. Within the philosophy of science, pragmatism is considered one of the main schools alongside logical positivism, relativism and realism (Van de Ven, 2007, p. 37). The ground rule in pragmatism is that truth is found in the “practical bearings” of ideas (Peirce, 1878). In this chapter, the focus is on John Dewey’s contribution to the study of valuation, but the pragmatic philosophy is further elaborated in chapter 4.

“..there are cases when a man literally does not **know** what he likes or what is good to him, or what to take as a good. As a non-rational creature, he may resort to mere trial and error. As a rational one, he tries to regulate his trial by judgment, that is, to make it an experiment such as will throw light upon the case by bringing into existence new data making possible a more adequate judgment” (Dewey, 1922, p. 337, emphasis in the original).

According to Stark (2009), it was important for Dewey to distinguish inquiry – as a distinctive mode of search in perplexing situations – from problem solving (p. 2). What Dewey highlights is that in situations of search, we do not know what the problem is until it has been resolved:

“There is not at first a situation and a problem, much less just a problem and no situation. There is a troubled, perplexed, trying situation, where the difficulty is, as it were, spread throughout the entire situation, infecting it as a whole. If we knew just what the difficulty was and where it lay, the job of reflection would be much easier than it is...In fact, we know what the problem exactly is simultaneously with finding a way out and getting it resolved” (Dewey, 1933, p. 140 cited in Stark, 2009, p. 2).

In Dewey’s definition, valuation is the experimental inquiry that brings value into existence in situations of doubt, but how else do valuation scholars understand and discuss the activities involved in this process?

### *Pricing & praising, valorising & evaluating*

In a discussion of what value means as a verb, Dewey points out that there is both an emotional and an intellectual side to valuation that is “continuously bridged” in the process of valuation (Vatin, 2013, p. 31). In the emotional meaning of value, “pricing” means holding precious and dear (Dewey, 1939, p. 5). In the intellectual meaning, “appraising” is an activity of rating or assigning value to something (ibid) - an act that involves comparison. Michelle Lamont (2012), who is a cultural sociologist, distinguishes between “valuation” and “evaluation” practices. While valuation practices are aimed at “giving worth or value”, evaluative practices aim at “assessing how an entity attains a certain type of worth” (p. 205). From a sociology of work perspective, Vatin (2013) makes a similar distinction between the processes of production involved in valuation that aim to improve or increase value – what he refers to as “valorising” - and the processes of assessing value – which he refers to as “evaluating”.

In summary, in Dewey’s view, valuation involves emotional as well as intellectual activities. Although there are variations in wording, “praising” (Dewey) or



“evaluating” (Lamont and Vatin) is an assessment and rating activity in which comparison plays a central role. Furthermore, Lamont and Vatin emphasise that value is not only assessed, but also produced through valuation. As the last part of this presentation indicates, there are different ways of understanding and approaching valuation, which is what I elaborate in the section below.

## **3.2. STRUCTURALIST AND PRAGMATIC APPROACHES**

In this section, I explore the differences between what Caliskan and Callon (2009) refer to as the “structuralist” and the “pragmatic” approach to the study of economic valuation in market settings. I find the distinction useful for my analysis as it points to differences in relation to two central questions in the study of valuation. The first question relates to agency, i.e. who acts? – people and organisations or networks of humans and non-humans? - and to what degree are actors guided and restrained by structure and context? The second question is about the definition of value, i.e. how is value defined or established? As mentioned above, the following presentation favours pragmatic approaches, but I also present the structuralist strand as this is a useful context for the analytical direction that I elaborate in section 3.3.

### **3.2.1. STRUCTURALIST APPROACHES**

In Caliskan and Callon’s analysis (2009), the structuralist approaches to the study of valuation implicitly grants agency to “structures” and thereby reduces value to a structural effect (p. 386). In structuralist accounts, human beings are generally considered to be the primary actors in valuation. For example, Lamont (2012), inspired by Bourdieu, defines “(e)valuation” as the “social and cultural process” where “subjects” agree (or disagree) and negotiate “proper evaluation criteria and who is a legitimate judge” (p. 205). In a review of what she refers to as “evaluation criteria” and not as “structures”, Lamont distinguishes between a French tradition of sociology which has a focus on “orders of worth” (Boltanski & Thévenot, 2006) and the literature on institutional logics, which was a prominent perspective in the functionalist as well as the critical perspective on social partnerships literature presented in chapter 2. Where the literature on institutional logics focuses on “patterns” of ordering as either “supra-organizational patterns” (Friedland & Alford, 1991, p. 243) or “socially constructed, historical patterns” that “guide and constrain decision makers” (Thornton and Ocasio, 1999, p. 804), the central argument put forward by Boltanski and Thévenot is that agreement and disagreement in society depends on six “common worlds” or “orders of worth” that are universal and cut across organisations and societies. The six “common worlds”,

and the seventh “green” world which has later been added, are presented in table 3.1.

*Table 3.1: The seven common worlds (Thévenot et al., 2000, p. 241)*

Common worlds	Market	Industrial	Civic	Domestic	Inspired	Fame	Green
Mode of evaluation (worth)	Price, cost	Technical efficiency	Collective welfare	Esteem, reputation	Grace, singularity, creative-ness	Renown, fame	Environmental friendliness
Test	Market competitiveness	Competence, reliability, planning	Equality and solidarity	Trust-worthiness	Passion, enthusiasm	Popularity, audience, recognition	Sustainability, renew-ability
Form of relevant proof	Monetary	Measurable: criteria, statistics	Formal, official	Oral, exemplary, personally warranted	Emotional involvement and expression	Semiotic	Ecological ecosystem
Qualified object	Freely circulating market good or service	Infrastructure, project, technical object, method, plan	Rules and regulation, fundamental rights, welfare policies	Patrimony, locale, heritage	Emotionally invested body or item, the sublime	Sign, media	Pristine wilderness, healthy environment, natural habitat
Qualified human beings	Customer, consumer, merchant, seller	Engineer, professional, expert	Equal citizens, solidarity unions	Authority	Creative beings, artists	Celebrity	Environmentalists, ecologists
Time formation	Short-term, flexibility	Long-term planned future	Perennial	Customary part	Eschatological, revolutionary, visionary moment	Vogue, trend	Future generations
Space formation	Globalisation	Cartesian space	Detachment	Local, proximal anchoring	Presence	Communication network	Planet ecosystem

In cases of disagreement, the organisations involved seek to make compromises between the different orders of worth which is further described in the following.

#### *How is value defined and established?*

As exemplified by Lamont’s (2012) definition of (e)valuation presented above, in structuralist accounts, value is largely defined through “inter-subjective” negotiation and agreement and established through judgement. To elaborate, Lamont makes a distinction between “categorisation” and “legitimation dynamics” which she refers to as the “sub-processes” of (e)valuation that often

involve “conflict and power struggle” (p. 204-205). Categorisation is about “determining in which group the entity that is (e)valuated belongs” (p. 206). Categorisation has been analysed from different research positions and through different theoretical concepts such as classification (Bowker & Star, 2000), singularisation (Karpik, 2010) and pacification (Caliskan & Callon, 2010). According to Lamont (2012), legitimisation denotes the process through which an object, work or theory gains value to the point where it becomes consecrated, recognised and deemed worthy (p. 206). Again, legitimisation has been studied from several different perspectives and angles. As an example, Lamont mentions Bourdieu’s writings on the accumulation of symbolic capital which emphasises the role of gatekeepers who have the ability to impose evaluation criteria or the power to consecrate (p. 207).

As an example of a “categorisation dynamic”, Espeland and Stevens (1998) define “commensuration” as transforming different qualities into a common metric (p. 314). As such metrics allow people to “quickly grasp, represent, and compare differences,” (p. 316) commensuration is crucial to “how we categorize and make sense of the world” (p. 314). Utility, price, and the cost-benefit lens discussed in chapter 2 are typical examples of commensuration (p. 315). Commensuration is often a process of “quantification” that reduces information into numbers to make them comparable. In addition to allowing comparison, numbers are persuasive metrics associated with rationality and objectivity – a “shared language” that can generate trust among distrusting parties (Porter, 1995). Numbers can also discipline actors such as stock indexes which allow the surveillance of companies (Espeland & Stevens, 2008).

As an example of a “legitimation dynamic”, the notion of justification (Boltanski & Thévenot, 2006) is widely used to study how organisations try to make compromises between different orders of worth to justify their actions in cases of dispute and controversy (for example, Patriotta et al., 2011 and Nyberg & Wright, 2012). As seen from table 3.1, each order of worth defines a mode of evaluation (worth), a test and a proof that actors can use and combine in “tests of worth” (Boltanski & Thévenot, 2006). Boltanski and Thévenot (2006) show how social actors create compromises in daily life and how they use not just “words” and “accounts” to prove worth, but also “objects” that serve as “instruments or devices for determining worth” (p. 130). By recognising the role of objects, as I elaborate below, it is perhaps more accurate to describe Boltanski and Thévenot’s contribution as structuralist with a pragmatic touch. On the one hand, the common worlds constitute a powerful and universal structure that regulates valuation. On the other hand, the authors study how actors shift between and manipulate this structure when justifying and they recognise that objects play a role in tests of worth. Still, in a discussion of the role of objects, Boltanski and Thévenot underline the fact that the existence of things in the universe is “not their concern” (p. 133). They only consider the “existence of beings and the modalities of their presence in the world”

to the extent that these are “**engaged** by the **justifiable acts** in which persons are implicated”(ibid, emphasis in the original). In other words, objects play a role only when they are involved in the justification that people do. This is in contrast to the approach presented below, which treats humans and non-humans symmetrically.

### 3.2.2. PRAGMATIC APPROACHES

Where the structuralist approach in Caliskan and Callon’s (2009) view “opposes” people and the structures that “contain” them, the pragmatic approach emphasises the complex and dynamic relations between things, people and their context (p. 384). Hence, in pragmatic approaches, the focus is on the different modes of valuation rather than, for example, institutional logics or orders of worth. This may sound like a subtle distinction, but the key point is that modes of valuation are not seen as being embedded in valuation structures, but as ways of doing valuation that are “constantly being combined, tinkered with and reinvented” (Caliskan & Callon, 2009, p. 387). Furthermore, the existence of different valuation modes, for example, how to calculate prices, can lead to controversies and power struggles in valuation. In other words, in pragmatic approaches, the focus is on the act of valuation and how it transpires in practice.

Intrinsically linked to ANT, another core idea in pragmatic approaches is that “those that do the doing” include humans as well as non-humans or rather networks of humans and non-humans. This means that the people justifying are not superior to the instruments that they use in justification and that the instruments also act independently of people. For example, Callon and Muniesa (2005) describe how different “calculative agencies” in a market, defined as “all the operations that make goods calculable” (p. 1236), have different capacities and power linked to their calculation equipment. For example, an accounting tool defines the way a calculation is made up and accounted for, but it can also provoke new calculation strategies and a change of goals, etc (Callon, 1998, p. 24). Further, according to Callon (1998), calculation tools can shape power relations by “imposing the rules of the game” (p. 45). In sum, calculative tools – and other types of equipment - are not just tools; they act, have effects and are part of the making of markets and economies – an idea that is also referred to as the “performativity” of tools (p. 23).

Moving away from the market setting, an illustrative example of a pragmatic approach is found in an article by Frank Heuts and Annemarie Mol (Mol being a leading contributor to ANT) about the “performance of good tomatoes” (Heuts & Mol, 2013). In this study, the authors set out to “investigate valuing as something our informants do rather than in a more structuralist way as something caught in or framed by a “culture” (p. 128). Initially inspired by Boltanski and Thévenot (2006), Heuts and Mol explain that they decided to move away from “economies of worth”

as an analytical framework because it “talks about worth as a quality” and “economies” as “a single gradient” (p. 129). Instead, they propose to use the term “valuing registers” which, they argue, indicates “a shared relevance” while being open to that good or bad in relation to this relevance may differ from one situation to another (ibid). For example, tomatoes were valued in five registers to do with money, handling, history, naturalness and how the tomato appealed to people’s senses, but within each of these registers there were ranges of good and bad. Furthermore, the authors note that it is important to be aware of registers that are taken for granted. In the case of tomatoes, for example, the experts that Heuts and Mol interviewed seemed to take the healthiness of tomatoes for granted. The key conclusion of the article is that valuing is a complex and situational activity that cannot be schematised – an activity that “does not depend on fixed variables” (p. 141). In the case of the valuing of tomatoes, there were tensions between registers and within registers and the way registers were related changed depending on the individual and the situation. Tensions may be distributed over situations and sites or solved through compromise or one priority overruling another. Furthermore, Heuts and Mol emphasise that the growers, cooks and other people that were involved in the valuing of tomatoes did not act alone. Rather, valuing is done by what Heuts and Mol refer to as “clustered socio-material figures” (p. 130). Water, bumble bees, trucks, vinegar and lots of other “stuff” were involved in making tomatoes good.

In summary, in the pragmatic approaches the focus is on ways of doing valuation and the actors studied are networks of humans and non-humans. This is also reflected in the pragmatic perspectives on the definition and establishment of value.

### *How is value defined and established?*

From a pragmatic point of view, how things are categorised and legitimised is not conceptualised as a social construction, i.e. as something which has been judged and agreed on by and between individuals and organisations. Rather, value is conceptualised as being done through a variety of activities in an experimental process (Heuts & Mol, 2013) or as the (often temporary) result of a “linking of the entities taken into account” by the actors in the valuation process (Callon & Muniesa, 2005, p. 1231). These different formulations reflect, I argue, the different branches of ANT that Annemarie Mol and Michel Callon represent. As mentioned, I expand on ANT in the methodology chapter, but, in brief in the “new material semiotics” (Law, 2009) or “multiplicity orientated ANT” that Annemarie Mol represents, it is the doing and coordination of multiple versions of reality that is in focus (Vikkelsø, 2007). In what Law (2009) refers to as “classic ANT,” there is a focus on how things become temporarily stabilised – often through the efforts of a prime stable mover. In the following, I elaborate how this results in, if not substantially different understandings of the definition and establishment of value, then at least different perspectives on this question.

*Doing and caring*

As mentioned above, in Heuts and Mol's (2013) analysis, value is not conceptualised as being defined or established as such, but as being enacted through valuing activities. In this perspective, the more accurate question then is how value is done or performed. Heuts and Mol emphasise that valuing includes a variety of activities and do not follow Lamont and Vatin's recommendation to distinguish between activities of assessing and producing value as, they argue, in practice, assessing and producing blend (p. 130). Still, they maintain that valuing is a sort of umbrella concept which includes assessment and improvement activities and a multitude of additional activities that are also relevant for valuing. Hence, in Heuts and Mol's perspective, valuing is neither an "exclusively judgmental" nor a separate activity (p. 141). In the case of tomatoes, valuing involves a range of activities such as developing, growing, processing, selling, cooking and – eventually – eating. To analyse the activities related to improving the value of tomatoes, which Heuts and Mol also refer to as "the performativity of valuing" (p. 129), Heuts and Mol introduce the notion of care which underlines – in line with Dewey – that the process of developing good tomatoes is experimental. Where Dewey, in the quotes above, talks about experimenting as bringing new data into existence which makes it possible for people to make more adequate judgements, Heuts and Mol describe care as an experimental process where "divergent qualities and requirements are tinkered with in combination" (p. 138). Further, as mentioned, the goodness or qualities of a tomato depend on the active contribution of tomato experts and things such as when a cook adds balsamic vinegar to a tomato to improve its taste. Finally, Heuts and Mol emphasise that caring as an experimental process does not imply that actors can control the thing being valued. Though tomatoes are adaptable and can be worked with, there are limits to what can be done to them. These limits are unknown from the beginning, but are "experimentally discovered" in the process of tinkering (ibid).

Where Heuts and Mol explore how a particular thing is valued, Callon and colleagues, as mentioned above, study valuation in the broader context of market making.

*Framing, calculating and qualifying*

To show that markets (and societies) are political constructions that are continuously made and remade, Callon (1998) mobilises the notion of framing. Drawing on Goffman, he defines framing as the "establishment of a boundary within which interaction can take place" (p. 249). As framing demarcates what is included, taken into account, and what is excluded, not taken into account, to frame is to make selective inclusions and exclusions. A frame is rooted in the world outside its boundaries through material and legal frameworks and the network of connections of the actors that agree on it. Because of this, it is impossible to avoid

the fact that the world and relations outside interfere with frames and make them unstable. When this occurs, Callon talks about moments of “overflow”. Establishing frames and containing overflows takes a lot of work. In markets, much of this work is “calculative” because overflows must be made measurable to allow framing or reframing to take place (p. 256). Callon and Muniesa (2005) conceptualise calculation as a three-step process that involves the continuous linking and delinking of entities and actors taken into account in valuation. First, the entity to be calculated is identified, described and made distinct from other entities. Second, it is associated with other entities, made comparable (if numerical this is done through quantification) and ranked. Third, a result is extracted in the form of, for example, a sum (price), an ordered list or an evaluation. The result “links the entities taken into account” (p. 1231). In other sources, Callon describes the process where “an entity is associated with other entities” (step 2 in the process of calculation) as a gradual process of qualification that transforms a product into a good that a consumer is willing to buy (Callon et al., 2002) – a notion that, in many ways, is reminiscent of the notion of care presented above (Heuts & Mol, 2013). According to Callon et al. (2002), the qualities of a good are not given, but “revealed through tests or trials” which involve interactions between agents, the goods to be qualified and measuring equipment (p. 198-199). In addition, the definition of the qualities is continuously qualified and re-qualified as the product develops and changes; “All quality is obtained at the end of a process of qualification, and all qualification aims to establish a constellation of characteristics, stabilized at least for a while, which are attached to the product and transform it temporarily into a tradable good in the market” (p. 199).

In summary, within the pragmatic approach there are different perspectives on the definition and establishment of value and different analytical approaches and notions to choose from. I discuss this further in the following section where I relate the pragmatic approaches to the review of the social partnership literature and develop my research proposition and analytical framework. Before I turn to this, however, table 3.2 provides a brief summary of the main ideas on agency and the definition and establishment of value within the structuralist and the pragmatic approaches.

*Table 3.2: The structuralist and the pragmatic approaches in valuation studies*

	<b>Structuralist</b>	<b>Pragmatic</b>
Who values?	Individuals and organisations.	Networks or - as Heuts and Mol call them - “clustered socio-material figures” of humans and non-humans (Heuts & Mol, 2013).
To what degree are actors guided or constrained by structure?	Agency is embedded in stable structures (e.g. logics or orders of worth), but actors are not completely constrained by structure. For example, when justifying, actors create compromises between and combine orders of worth to coordinate and justify their actions. Furthermore, they can use their power positions within a field to build arguments based on tests of worth and to promote particular configurations of the social order (Boltanski & Thévenot, 2006).	Different modes of valuation are “constantly being combined, tinkered with and reinvented” (Caliskan & Callon, 2009, p. 387). For example, while registers of valuing indicate a shared relevance they include ranges of good and bad and good or bad in relation to this relevance can differ from one situation to another (Heuts & Mol, 2013).
How is value defined and established?	Through inter-subjective and inter-organisational negotiation, agreement and judgement.	Value is done through a variety of activities and is experimentally discovered through the process of tinkering (Heuts & Mol, 2013)  Value is momentarily “extracted” or stabilised through a linking of the entities taken into account by actors in the valuation process (Callon & Muniesa, 2005).

### 3.3. RESEARCH PROPOSITION AND ANALYTICAL FRAMEWORK

My intention to study “value” and “value creation” in social partnerships from a pragmatic perspective has already been established, but why do I believe this is a



productive way to address the research calls and gaps identified in chapter 2? And how do I translate the pragmatic approach and the various ideas and analytical notions within it into an operational analytical framework? These are the questions that I address in the next section.

### **3.3.1. A PRAGMATIC STUDY OF THE VALUATION OF SOCIAL PARTNERSHIPS**

As a quick recap of the research gaps identified in chapter 2, I first noted a call for more studies on how “value creation” – which is the preferred term in the social partnership literature – transpires in practice. Building on the process based perspectives of “value creation” in social partnerships, I pointed out that the hypothesis of such a study should be that the value of social partnerships is not pre-established, but created in partnership processes through partnership work. Secondly, I found that there is a need to create a theoretical and analytical framework that calls the concepts of “value” and “value creation” into question instead of making assumptions about them. In my literature review, I found that the majority of studies that have examined value creation in social partnerships (and other themes within the social partnership field for that matter) have so far drawn on what in this chapter has been defined as structuralist approaches. More specifically, the majority of studies have drawn on (neo)institutional theory and have viewed value creation and the actors involved in it as being embedded in sector-based profit and not-for-profit value logics – though not completely restrained by such logics. At the same time, I found that these studies tended to take the cost-benefit lens for granted with “value” being established through the weighing of costs and benefits. Further, they tend to conceptualise value as the eventual and fairly stable benefit(s) that result from the processes of value creation “pathways” (Austin & Seitanidi, 2012a). Finally, I noted – as sort of a paradox - that value, on the one hand, tends to be addressed as a given that motivates and sustains collaboration while, on the other hand, it is also emphasised that “value” does not pre-exist at the beginning of partnerships. Critical management scholars question the idea that partners are motivated by interests other than their own, but they do not question the idea that gaining is a motivation or, assuming that it is, investigate or elaborate how “value” or gains motivate if they are not pre-defined.

*Similar, but substantially different*

There are two main arguments for why I propose to study “value creation” in social partnerships through a pragmatic lens. First, on a general level, I note similarities between the process perspective on “value creation” in the social partnership literature and the pragmatic approach to valuation which, I believe, allow a productive conversation between social partnership studies and valuation studies to

take place. Second, on a more specific level, I also note what I believe are quite substantial differences, not least in the understanding of actors and agency which, I hope, will contribute to a new and more nuanced understanding of “value creation” in social partnerships, in particular, and potentially a new understanding of social partnerships in general.

Looking at the similarities first, the key connecting point is that “value creation” and “valuation” are conceptualised as processes involving various types of activities. For example, Austin and Seitanidi (2012b) point out that “value creation” is also a part of the partnership design process, which resonates with Heuts and Mol’s (2013) point that “valuing” is not a unique or separate activity. Furthermore, experimentation is a key word in the highlighted studies of value creation in the social partnership literature as well as in the contributions of Dewey, Heuts and Mol and Callon. As another example, when Austin and Seitanidi write about “value creation” as involving “iteration” and “adaptation,” this seems to bear some resemblance to the “trials” (Dewey, 1922), the “care” (Heuts & Mol, 2013) and the “qualification” (Callon et al., 2002) described by pragmatic valuation scholars. In addition, both bodies of literature are based on the understanding that “value creation” and “valuation” are challenging and require ongoing coordination between different and sometimes conflicting “value frames” (Le Ber and Branzei, 2010b) or “valuing registers” (Heuts & Mol, 2013). Still, and this is where I turn to the differences, though “value creation” and “valuation” seem somewhat related, they rest on quite different understandings of social order, organising and agency and as such involve different research implications and potential.

The key difference lies in the understanding of agency. In the “value creation” perspective, value is a social construction brought about by people and organisations. In the pragmatic valuation approach, the doing is done by networks of humans and non-humans, including the valuation equipment involved in valuation. In the “value creation” perspective, people and organisations are embedded in sector and organisation-based logics that influence what and how they value. In the pragmatic valuation approach, actor-networks value in multiple and continuously changing ways that differ from situation to situation. In this light, I believe that the proposition to replace “value creation” with the pragmatic “valuation” approach has the potential to contribute to the understanding of “value” and “value creation” in social partnerships in several respects.

First, it will enable an analysis that is freed of sector-based “for-profit/not-for-profit” thinking and the numerous assumptions that flow from this including the cost-benefit lens and the distinction between “business” and “business value” and “society” and “social value”. A pragmatic valuation analysis, informed by ANT, does not distinguish between societal sectors, but treats the definition of the worlds of “business” and “society” as continuously changing network effects (Law, 2009). When a company in a pragmatic valuation analysis is viewed as an “actor” and not

as “an organisation embedded in a market logic”, the idea that profit counts and that this particular actor defines value as benefits minus costs is not ruled out, but it is not taken for granted either. More importantly, the pragmatic approach calls on the researcher to unpack how “profit”, “costs” and “benefits” (if relevant) are defined and to be aware that this may change from situation to situation. Furthermore, it questions the idea that profit and economic value is the only thing that counts in a way that I believe encourages more nuanced descriptions of what a corporate actor values than the distinction between “tangible” and “intangible” value made by for example Austin and Seitanidi (2012a).

Second, a pragmatic study of the valuation of social partnerships will draw attention to the performativity of valuation tools (Callon, 1998) involved in social partnerships and study these not as tools developed and used by social partnership managers, but as equal and independent actors in valuation. In my review of the social partnership literature, I found several studies of “mission statements” (for example, Lewis et al., 2010), “collective identities” (for example Maguire & Hardy, 2005) and other types of partnership narratives analysed as “tools” used by social partnership managers. However, I have not been able to identify other studies that address the performativity of valuation tools in the particular context of social partnerships.

Third, while the “valuation” and “value creation” perspectives share the focus on process, the take on process dynamics found in pragmatic valuation studies is, I argue, quite different from the conceptualisation of process dynamics found in “value creation” perspectives. As described above, Austin and Seitanidi (2012b) emphasise the emergent and experimental nature of value creation processes, but the value creation process model that they present is still conceptualised as progressing through stages and ending with, if successful, the “institutionalisation” and “fusion” of value frames. In other words, though value creation is approached as a difficult process involving numerous iterations and adaptations, on an overall level, value creation is described as a process that moves towards a more or less stable end point where the reconciliation and peaceful alignment of different value frames is achieved – if the process is successful. The pragmatic take on process dynamics, on the other hand, is generally less focused on stabilisation and emphasises the “constant” combination, tinkering and reinvention in valuation (Caliskan & Callon, 2009) and the situational character of valuation (Dewey, 1922; Heuts & Mol, 2013). However, there are also differences within the pragmatic approaches. To exemplify, the calculation process (Callon & Muniesa, 2005) and the process of qualifying products in markets (Callon et al., 2002) are, in fact, described as having an “end point” where the qualities of a product or the sum of a calculation are “stabilized at least for a while” (p. 199) though the description of the actors involved and the ways they achieve stabilisation is significantly different from the description found in Austin and Seitanidi’s work. In Heuts and Mol’s analysis, the valuing activities and the situational character of “valuing” are in focus

and not end points or stability (though “in the end” tomatoes are eaten, but this is considered a case of devaluation and not stabilisation (Heuts & Mol, 2013, p. 142)). With the ranges of goods and bads within them, “valuing registers” are conceptualised as far less stable constructs than “value frames” (Le Ber & Branzei, 2010b) indicating that the coordination of tensions in valuing is complex and dynamic, if not to a different degree, then certainly in a different way than the fusing of “value frames” is a complex and dynamic activity. Finally, the fact that valuation equipment is recognised as powerful actors by Callon as well as Mol adds one more type of actor to the analysis of power dynamics in the “valuation” perspective compared to the “value creation” perspective which only focuses on conflicts between individuals and organisations.

Finally, as noted above, it could be that a pragmatic study of the valuation of social partnerships will also shed new light on the notion of social partnerships in general. As Heuts and Mol (2013) point out valuing is performative<sup>3</sup> as it involves an ongoing effort to make tomatoes better rather than worse (p. 129). In other words, when you study how something is valued, you not only get insight into the making of that something, but also into what it becomes - though what it is is not a stable definition. Whether this and the above research propositions are realised – and whether the “value creation” and the pragmatic “valuation” perspectives are as different as I have argued here – is answered in chapter 8 where I discuss the results of the analysis that is to come. How I approach this analysis is described below and in the following chapter.

### 3.3.2. ANALYTICAL FRAMEWORK

In section 3.2.2, I provided two examples of pragmatic valuation analyses: Heuts and Mol’s article on the valuing of tomatoes and the work of Callon and co-authors on valuation in a market setting. Coming from different branches of ANT, Heuts and Mol foreground “valuing” as multiple and situational activities that blend with all kinds of activities, while Callon and colleagues tend to foreground the relational processes in “valuation” and describe valuation as a special process involving special activities. Studying valuation in different contexts, Heuts and Mol suggest a way to describe how a particular thing is valued in practice, while Callon has a focus on valuation in market settings.

---

<sup>3</sup> In this usage of “performative,” Heuts and Mol make reference to the notion of valorising (Vatin, 2013), i.e. performativity is used to talk about “making something good”.

Though “the entity to be valued” in this research project – social partnerships – is not a thing (and certainly not a tomato!), I choose to work with the “valuing” framework (Heuts & Mol, 2013). First, I believe that this framework fits well with my research objective. I see the analysis of the valuing of tomatoes as an inspirational and productive way to shed light on and provide a nuanced description of how social partnerships are done in practice. Furthermore, I believe the focus on valuing as multiple inseparable activities is well aligned with Austin and Seitanidi’s description of valuation as not being a separate work stream in social partnerships. Finally, and this is a more practical argument and also an argument of de-selection, the research setting that I work within and the data material that I have access to makes it practically possible to work with valuing registers, activities and tools as analytical categories. It would be more difficult for me to properly follow the actor(s) through relational processes of linking and de-linking in the way that Callon’s work calls for researchers to do.

### *The framework*

In the analytical framework below (table 3.3), I translate the general research question - which was motivated by the empirical puzzle introduced in chapter 1 – into the analytical research question reflecting the theoretical “employment” of the analysis (Czarniawska, 2014, p. 125-127).

General research question:

If not based on a “clear case” or a unified understanding of value, then...:

*How is corporate engagement in partnerships to resolve societal issues made worthwhile?*

Analytical research question:

In indeterminate situations in corporate settings where there is uncertainty about value...:

*How are worthwhile “social partnerships” performed?*

In the analytical research question I use the term “social partnerships” (Waddock, 1989) to denote “corporate engagement in partnerships to resolve societal issues” as this is a commonly used term in the literature which studies the partnering phenomenon. Furthermore, inspired by John Dewey, I position corporate decisions about engagement in partnerships as indeterminate situations where value is in doubt. Finally, drawing on Heuts and Mol (2013), I have translated the “performance of good tomatoes” into the “performance of worthwhile partnerships”. “Perform”, “performance” and “performativity” is used across a wide

range of scientific fields in different ways, but here, as I expand on in chapter 4, I use it in an ontological sense. More specifically, I use “perform” and “performativity” in the way that Callon and Heuts and Mol use it to emphasise that markets, tomatoes and realities are made or done and that the actors (people, technical equipment, theories and so on) and activities involved in the making or the doing can, therefore, be described as being performative or having performative effects to varying degrees and in various ways<sup>4</sup> (MacKenzie, 2007). Furthermore, it is important to point out that I use “perform” or “performance” only in relation to “worthwhile partnerships” in the same way that Heuts and Mol only use the term in relation to “good tomatoes” as the undefined quality that valuing activities in various ways aims to achieve. As the analysis has a focus on describing these activities and less focus on the actual achievement of “worthwhile” or “good”, this also implies that I, as Heuts and Mol, do not use “perform” or “performative” very much in the analytical chapters. To describe the various, situational and continuous activities involved in valuing, I agree with Mol that it makes better sense to talk about “worth” or “value” being continuously enacted than “worth” or “value” being performed (Mol, 2002, p. 33). At this level of analysis, the advantage of “enact” over “perform” is that it signals doing without revealing who the doer is and, in contrast to perform, it does so without connoting successful achievement (Mol, 2002, p. 32). In summary, I use perform and performance in an ontological sense and in relation to the achievement of worthwhile partnerships. To describe the valuing activities that may result in it being worthwhile investing in a partnership, I use “enact”.

Finally, in the research questions, I use a variation of “worth” - “worthwhile” – though I also use the term “value” throughout the thesis, not least because “value” is widely used in the social partnership literature as well as in the empirical research setting. I do not refer to “worth” because I subscribe to Boltanski and Thévenot’s framework, but because I subscribe to the position that the distinction between “value” and “values” in an economic and a non-economic sense is a false one. With reference to the Merriam-Webster online dictionary, I define worthwhile as something being “worth doing or spending time, effort and money on”.

---

<sup>4</sup> In a discussion of the performativity of economic theories, MacKenzie makes a distinction between “generic performativity” which indicates that an aspect of economics is used and “effective performativity” which denotes a situation where the practical use of economics has an effect on economic processes. The latter can occur in two ways. Either the economic processes come to be more like (Barnesian performativity) or less like (counterperformativity) the theory (MacKenzie, 2007, p. 55)

### *Valuing registers and valuing work*

In table 3.3, I also present the analytical concepts and questions that I use to examine the performance of worthwhile partnership investments. I use the term “valuing registers” as Heuts and Mol (2013) define it in their article. However, as they do not define it very clearly - and abstain from defining their terms as they do not wish to “legislate” how others should use them (p. 139) - I found it useful to explore the origins and meanings of “register”.

Like “value”, “register” is both a noun and a verb. According to the Merriam-Webster online dictionary, the noun – a register – has its roots in medieval Latin “registrum” and late Latin “regesta” which means a “list of items (or matters) recorded”. In later usages, register can also refer to the device by which data is automatically recorded, for example, a cash register. It is used in several contexts. Within printing it means “exact alignment of presswork”. In music, it refers to “the range of a human voice or a musical instrument” and “a series of tones of the same quality produced by a voice or an instrument”. Within linguistics it means “any of the varieties of a language that a speaker uses in a particular social context”. According to etymonline.com, the verb – to register – has its roots in the Latin “regere” which literally means “to carry or bring back”. In Old French, “registrer” means to “note down, include”. In contemporary English, to register has multiple meanings ranging from entering into a register or record, enrolling as a student or enrolling to vote, to express outward signs, to be in proper alignment and to make an impression (en.wiktionary.org).

Taking a closer look at Heuts and Mol’s (2013) text, they use register as a noun, but both in the meaning of “a list of what is recorded or included” and in the musical and linguistic sense as a range or a variety of notes or language. When they refer to registers in the “list of what we record or include” sense, they talk about registers as “axes along which goods and bads get mapped” (p. 128) that “indicate a shared relevance” (p. 129) or “single out a particular concern” (p. 140). However, valuing registers are also referred to in the musical sense as there are ranges of good and bad in relation to them depending on the situation and who is asked.

Further, I have taken the liberty of introducing a new term *valuing work*. I use this term to denote the variety of valuing activities conducted by humans and non-humans and to emphasise the ongoing efforts involved which Heuts and Mol, among others, describe through the notion of care. I am aware that “work” is also used in other theoretical contexts, for example in the body of literature on “institutional work” (Lawrence et al., 2009) and the literature on identity work that was described in chapter 2. It is important to point out that my usage of “work” is not associated with these or any other theoretical perspectives on work. Rather, it is inspired by Helgesson and Muniesa (2014) who in a recent editorial draw attention to “valuation as (hard) work”. Using the example of a scientific article that receives

a “revise and resubmit” assessment, they argue that in a valuation as work perspective, the “revise and resubmit” message is not so much a postponement of a decision as a commitment to keep something in labour in a process of valuation – to keep it in “a zone of effort and care” (p. 2).

Finally, in the analytical questions, I have made one exception to the choice of working with Heuts and Mol’s framework by adding the question of identification and description that I borrow from Callon and Muniesa’s (2005) description of the calculation process. I have added this to the framework because “social partnerships” are clearly not as easily identifiable as a tomato. In fact, as the analysis will show, a “social partnership” is a phenomenon that in many ways defies identification and description. Though valuing as an umbrella concept embraces all the different types of activities that are involved in valuing, I found it relevant to remind myself to pay particular attention to this aspect in my analysis of valuing activities.

*Table 3.3: Analytical framework*

	<b>Research questions</b>
General research question	<p>If not based on a “clear case” or a unified understanding of value, then...:</p> <p>How is corporate engagement in partnerships to resolve societal issues made worthwhile?</p>
<b>Theoretical framework</b>	
Analytical question	<p>In indeterminate situations in corporate settings where there is uncertainty about value...:</p> <p>How are worthwhile “social partnerships” performed?</p>
<b>Analytical concepts</b>	
Valuing registers	<p>What are the valuing registers in the research setting?</p> <p>Are there any registers that are taken for granted?</p> <p>What are the tensions within and between them and how are such tensions typically dealt with?</p>



Valuing work	<p>Which activities are involved in the performance of worthwhile partnerships?</p> <ul style="list-style-type: none"> <li>• How is “value” enacted in the context of partnerships?</li> <li>• How are partnerships identified and described?</li> <li>• How are partnerships improved?</li> </ul> <p>How are tensions within and between valuing registers dealt with in partnership investment decisions?</p> <p>Who does the doing and which valuing tools are involved in the performance of worthwhile partnerships?</p> <p>Which other “materialities and practicalities inform and co-shape” (Heuts &amp; Mol, 2013, p. 141) the valuing of “social partnerships”?</p>
--------------	---

In the following chapter, I elaborate the ontological and epistemological position of the study and present the research design.

## CHAPTER 4. METHODOLOGY

When you engage with the pragmatic approach to valuation, in general, and the work of John Dewey and Annemarie Mol in particular, you engage with a certain set of ideas not only about value and valuation, but also about reality (ontology) and how to study it (epistemology). In this chapter, I first clarify these ideas and specify my research position and research approach. Then, I present the research design. I explain what type of research this is, how I have carried it out and why I have conducted it this way. The advantages and disadvantages of the research design are discussed throughout the section.

### 4.1. ONTOLOGY AND EPISTEMOLOGY

In chapter 3, I briefly introduced pragmatism as a school of thought scholars of which argue that truth is to be found in the “practical bearings” of ideas (Peirce, 1878); and actor-network theory (ANT) as a set of methodologies that treats everything in the social and natural worlds as effects of webs of relations (Law, 2009). Though pragmatism originated in the 1870s in the US and ANT was developed in Europe in the 1980s, pragmatism and ANT share a “materialist, semiotic approach to reality” and the “non-dualist approach to knowledge” (Muniesa, 2013, p. 8). While ANT is closely affiliated and entangled with pragmatism (Muniesa, 2013), it is, however, also a unique approach that stands out on its own. To add to the uniqueness, it is in fact ironic that ANT is called a theory because it is not. ANT cannot explain; ANT cannot be applied (Mol, 2010). Rather, in the full version of John Law’s definition, ANT is “a disparate family of material-semiotic tools, sensibilities and methods of analysis that treat everything in the social and natural worlds as a continuously generated effect of the webs of relations within which they are located. It explores and characterises the webs and the practices that carry them. Like other material-semiotic approaches, the actor network approach describes the enactment of materially and discursively heterogeneous relations that produce and reshuffle all kinds of actors including objects, subjects, human beings, machines, animals, nature, ideas, organisation, inequalities, scale and sizes and geographical arrangements” (Law, 2009, p. 141).

In the following, I elaborate the ontology and epistemology of ANT with a starting point in the intersections between ANT and pragmatism identified by Muniesa.

#### 4.1.1. ONTOLOGY: A MATERIALIST, SEMIOTIC APPROACH TO REALITY

The social construction of reality is a central idea in classic ANT as well as in John Dewey's work, although not all the founding fathers of pragmatism agreed with Dewey's position that there is no such thing as a "real" world that exists independently of the human mind (Van de Ven, 2007). In ANT, however, social construction is not a question of what goes on in human minds only – as mentioned several times, non-humans take part in the construction as well. Furthermore, classic ANT scholars take what Muniesa (2013) characterises as a "radically constructivist approach" to reality (p. 1) and treat everything, reality included, as network effects; or, as it says in the citation above, ANT assumes that nothing has reality or form outside the enactment of the webs of relations within which everything in the social and natural worlds are located.

The idea that reality is a relational achievement builds on semiotics, i.e. the study of the relationship between language and reality. In the following explanation of how ANT's conceptualisation of reality is inspired by semiotics, Mol (2010) draws on the work of De Saussure. The example used is the word "fish". In De Saussure's version of semiotics, words come to make sense through their relations, similarities and differences with other words; "the word "fish" is not a label that points with an arrow to "the swimming creature itself". Instead, it achieves sense through its contrast with "meat", its association with "gills" or "scales" and its evocation of "water" (p. 257). In ANT, Mol explains, this relationship between word and meaning is extended to reality. Thus, in an ANT perspective, it is "not simply the term, but the very phenomenon of "fish" that is taken to exist thanks to its relations. A fish depends on, is constituted by, the water it swims in, the plankton or little fish that it eats, the right temperature and pH, and so on" (ibid).

Building on the idea that reality is a relational achievement, ANT scholars also take great interest in describing how reality is achieved through actions and activities, i.e. the performance of reality. In the following, I elaborate the multiplicity oriented version of ANT which has a particular focus on this question and, in relation to this, also has a special perspective on reality.

##### *Multiplicity oriented ANT (new material semiotics)*

A multiplicity oriented ANT analysis "equates what is with what is being done" (Mol, 2002, p. 84). It describes reality as being continuously enacted – "it is in the act, and only then and there, something is – being enacted" (Mol, 2002, p. 33). In other words, it describes how realities are continuously enacted and coordinated because another crucial point in this perspective is that, as a consequence of approaching reality as enacted, reality becomes multiple.

In her ground-breaking book, *The Body Multiple*, Annemarie Mol studies how the disease atherosclerosis (hardening of the arteries) and the bodies which have this disease are enacted as different versions of reality in different departments of a hospital. The key conclusion is that the different medical practices in the hospital and the different tools practitioners use generate multiple versions of the bodies and multiple versions of the disease (Mol, 2002). Furthermore, Mol shows that reality is not only multiple, it is also situated. The disease and the bodies are one thing in the pathology department and another thing in the out-patient clinic. According to Mol, the extraordinary thing in this case is that the multiple versions hang together despite being different and sometimes in tension. Hence, “to be” is also “to be related” (p. 54). How different realities co-exist in relation to a given phenomenon – or, as Mol puts it, how they “hang together” (p. 55) is, therefore, a crucial question in multiplicity oriented ANT studies (Vikkelsø, 2007). In the case of atherosclerosis, the name of the disease and the calibration of test outcomes are two of the examples of the “forms of coordination” that make the multiple versions of the disease hang together (Mol, 2002, p. 55).

Interestingly, because the question of how to study reality is what I turn to next, Mol (2002) argues that one of the consequences of foregrounding the doing and exploring the enactment of reality (the ontological) is in fact a move away from epistemology: “Epistemology is concerned with reference: It asks whether representations of reality are accurate. But what becomes important if we attend to the way objects are enacted in practices is quite different. Since enactments come in the plural the crucial question to ask about them is how they are coordinated (preface, vii-viii).”

Still, for the purpose of elaborating how I have approached this study, the question of epistemology cannot be overlooked. As pointed out by Muniesa (2013), what ANT and pragmatism have in common here is a “non-dualist approach to knowledge” (p. 8).

#### **4.1.2. EPISTEMOLOGY: A NON-DUALIST APPROACH TO KNOWLEDGE**

The epistemological connecting points between ANT and pragmatism consist of two ideas. First, the idea that knowing and doing are part of the same process and cannot be separated (Van de Ven, 2007). Second, the idea that truth is “socially and practically situated” and what was once found to be true may, therefore, change as we acquire new knowledge (Healy, 2009, p. 279). What this means for scientific inquiry, however, is a question that ANT scholars are generally less interested in, whereas the pragmatist school – as a philosophy of science – is preoccupied with it.

Within the philosophy of science, the pragmatist approach to knowledge was a response to a debate between rationalists who believed in deductive reasoning and empiricists who believed that “sensory experience” was the way to reliable knowledge (Van de Ven, 2007). Generally, pragmatists had doubts about the positivist types of scientific inquiry that sought to find the truth and make laws about reality and made various suggestions of alternative approaches to scientific inquiry (Healy, 2009). For example, John Dewey and others advocated a method of experimental and continual critical inquiry (Healy, 2009, p. 279) which also informed Dewey’s conceptualisation of valuation (1922) as described in chapter 3. At the core of experimental and critical inquiry is the continued questioning, exploring and testing of answers and discoveries in relation to empirical evidence (Healy, 2009, p. 280).

Another pragmatist approach to scientific inquiry is “abduction”, which was introduced by Charles Sanders Peirce as a creative methodology that is neither inductive nor deductive (Van de Ven, 2007). At the time, induction was argued to initiate theory, but in Peirce’s view, all people have pre-conceived theories so induction is more about testing such pre-conceived theories than about making theories in the first place. To explain how theories are initiated, he instead proposed abduction, which starts with the researcher going out into the world and identifying a “puzzle “or a “breakdown,” i.e. something that is inconsistent with his or her pre-conceived understandings and theories. The next step is that the researcher makes a hypothesis about how “the puzzle” may be explained. Following this, the hypothesis is turned into a “defensible theory” through deductive reasoning which is then tested through “inductive inferences” (Van de Ven, 2007, p. 22). In other words, the research process proceeds in the following way: Abduction, deduction, induction.

With this as a backdrop, I will proceed to specify and summarise how I – informed and inspired by ANT and pragmatist ideas – see reality and how I have approached its study.

#### **4.1.3. THE ONTOLOGICAL POSITION AND EPISTEMOLOGICAL APPROACH OF THE STUDY**

In short, I see reality as enacted, multiple and relational. Greatly inspired by *The Body Multiple* (Mol, 2002), this study equates what is with what is being done and studies the enactment and coordination of multiple realities across sites and situations through the “valuing” perspective presented in chapter 3 (Heuts & Mol, 2013). More specifically, what this means is that I approach the phenomena that I study - “social partnerships”, “worthwhileness” and “value” - and the actors involved in valuing not as coherent wholes, but as multiple realities that are

continuously enacted and related. To emphasise this, I use quotation marks around “social partnerships” and “Novo Nordisk” in the text. This may be a nuisance to the reader, but it is there as a reminder that these names should not be read as descriptions of coherent wholes, but rather as examples of the forms of coordination that attempt to make the multiple versions of “social partnerships” and “Novo Nordisk” hang together.

Furthermore, I adopt the ANT position that agency is attributed to socio-material actor-networks, but it is important to note that this study is far from a full-blown ANT analysis. I pay attention to the performativity of valuing tools, but I do not pay particular attention to the technologies that enable these tools or any other forms of materiality involved in valuing for that matter. Furthermore, though I strive to pay equal attention to the actors involved, the practical circumstances of the study mean that it is biased towards the doings of one actor: “Novo Nordisk”. As an employee of “Novo Nordisk,” I am strongly related to this particular actor which gives me privileged access to study the doings in the context of this particular actor, but hinders my access to study other actors involved such as the organisation – or rather, “multiple realities” – that “Novo Nordisk” is partnered with.

### *Epistemology*

In the knowing-doing debate, I obviously emphasise the doings – the enactments – and as Mol argues, in principle, this makes the question of how to study reality irrelevant; or rather, it provides a clear answer: Study the doings and you will find multiple, situated and situational “truths”! However, I only reached this understanding quite late in my research process; so what has been my approach to scientific inquiry?

On a methodology course in early 2014, I presented my research approach as inductive. However, when the teacher asked whether I was sure my approach was not abductive, I made a quick note, but did not think more of it. Frankly, I had no idea what she was talking about. Furthermore, at that time, I was so immersed in working on the partnership project that I had been thrown into in “Novo Nordisk” that I had not really had time to reflect on scientific inquiry in general or the relationship between data and theory in particular. Looking at the research process in retrospect, however, the process may very well be described as the kind of continuous guessing and evolving conversation between data and theory that characterises the abductive approach (Paavola, 2014, p. 4) - though this is not a result of a conscious decision, but rather a recollection of how it happened to transpire. Hence, in table 4.1, I paraphrase my research process as an evolving conversation between data and theory. The process begins with a puzzle about how to understand the partnership phenomenon – a puzzle which has evolved in a continuous conversation between what I experienced in my daily work at “Novo Nordisk” and what I was reading in academic texts. This leads to a hypothesis – a

theoretical “emplotment” that I then apply to the facts (Czarniawska, 2014, p. 125-126). Finally, the process ends with a discussion of the results of the test and the theoretical emplotment. As it shows, this process is also reflected in the structure of the thesis.

Table 4.1: An abductive research process

Chapter 1-2: <b>Abduction -&gt; Here is an evolving puzzle</b>	Chapter 3: <b>Deduction -&gt; Here is a hypothesis</b>	Chapter 5-7: <b>Induction -&gt; Let's test it against the facts</b>	Chapter 8-9: <b>And then what?</b>
<p><i>In the world today...</i> Partnerships have been hyped up as having enormous potential to change the world and companies are encouraged to partner more – for their own good and for the good of society.</p> <p><i>In theory.....</i>The dominant view sees social partnerships as organisational and societal problem-solving mechanisms and is preoccupied with questions of value as the main motivation for partnering.</p> <p><i>Where I work...</i>partnerships are popular too. The value of partnering is a key concern, however, partnerships are also initiated without a clear idea about the problem or the value of addressing it, and sometimes the company engages in ways that do not fit particularly well with the typical picture of what and how companies value.</p> <p>So, what is this phenomenon of “social partnerships” if we look at it from a corporate angle? What is the value and which role does value play?</p> <p><i>In theory...</i>Some scholars argue that social partnerships are nothing but</p>	<p>John Dewey argues that nothing has value. Things become valuable through the process of valuation.</p> <p>In certain situations we are in doubt about what we want and what is good. In such indeterminate situations, we resort to experiments to establish value.</p> <p>Let us propose that social partnerships are such indeterminate, doubtful situations where the parties involved</p>	<p>Heuts and Mol have shown how such a pragmatic valuation analysis may be conducted.</p> <p>Let us follow their example and test the hypothesis by analysing valuing of “social partnerships” in “Novo Nordisk”.</p>	<p>What do we understand better now? And what are the implications of this new understanding?</p> <p>Did new puzzles occur?</p>

<p>discourse which serves to legitimise business as usual. This may explain both the hype and part of the puzzle, but there is also another puzzle. Irrespective of whether researchers take a positive or negative view on corporate intentions, they tend to implicitly assume that we know what “value” is and what “value creation” is about.</p> <p><i>Maybe</i> – despite all the talk about how good it is – we simply do not understand the notions of “value” and “value creation” in the context of “social partnerships” well enough.</p>	<p>experiment to make them worth doing.</p> <p>If we analyse what the doubt is about and the valuation work, this will help shed light on the puzzle about the value of social partnerships and the phenomenon in general.</p>		
--	--	--	--

To close, I have now presented my ontological position and research process. In the following, I present and discuss the concrete study and the research design.

## 4.2. AN ETHNOGRAPHIC CASE-STUDY

With its focus on the situational, the doings and the practicalities and materialities of every-day life, researchers drawing on ANT and pragmatism often make ethnographic studies. This study is no exception.

Ethnography is both a way of conducting research and a way of writing up results.

### *Conducting ethnography*

In contrast to quantitative research which can be conducted in a laboratory or from behind a desk, ethnographic research implies that the researcher goes into the field to collect data. Here is one definition by Brewer: “Ethnography is the study of people in naturally occurring settings or in the ‘field’ by methods of data collection which capture their social meanings and ordinary activities, which involves the researcher participating directly in the setting, if not also the activities, in order to collect data in a systematic manner” (Silverman, 2011, p. 114). According to Stark (2009), John Dewey insisted on the need to study processes of actual valuation in actual settings and situations (p. 185).



Within ethnography, there are two main camps which have different ways of seeing the field (Silverman, 2011, p. 149). Where naturalist ethnographers study how people see things and try to understand meanings; the constructionist camp studies how people do things (Silverman, 2011, p. 152). Constructionists examine the everyday procedures and practices of people in the field and treat their accounts as narrative accomplishments rather than as true or false reports of reality. The aim is to understand how reality is assembled (Silverman, 2011, p. 150-152). In this definition, pragmatists and ANT scholars camp with or very close to the constructionists, though Mol's focus is on enactment of reality rather than on assembly as in classic ANT. The obvious difference is that ANT scholars do not study people, but networks of human and non-human actors.

### *Self-ethnography*

Typically, ethnographers study fields or “tribes” that they do not belong to themselves, but ethnography can also be performed by “insiders”. In Alvesson's (2003) definition, a self-ethnography is “a study and a text in which the researcher-author describes a cultural setting to which she has “natural access”, is an active participant, more or less on equal terms with other participants” (p. 174). The idea of a self-ethnography is to “utilise the position one is in also for other secondary purposes, i.e. doing research on the setting of which one is a part”, for example, when a researcher studies the university she works at (p. 175). Alvesson sees self-ethnography as different from auto-ethnography in which the personal experiences of the researcher are in focus and are data (ibid). Auto-ethnography is often criticised for being subjective (Vesa & Vaara, 2014, p. 290), but in an article that promotes the approach within studies of organisational strategy, Vesa and Vaara (2014) argue that this is ironic as “auto-ethnographic immersion within an organisation ensures access to privileged knowledge not usually available to outsiders and an intimate understanding of what it is and feels like to do strategy” (p. 290).

This study is probably best described as self-ethnography with aspects of auto-ethnography. I have strived to avoid an overly subjective or private account, but I include personal experience and descriptions of “what it feels like” to conduct valuing work in practice as data. I do this when I believe it adds valuable insight to the analysis in its own right or when it helps put other data in perspective.

### *Closeness and closure*

From day one, my ability to carry out research in a field in which I have worked for close to 10 years has been questioned. The fact that the company pays part of my salary during the research period and the fact that I will be joining the company again when the thesis is submitted has not made warnings fewer or less heartfelt. Furthermore, when I read that “self-ethnography is not for the mainstream,

organisational (wo)man, eager to conform to workplace norms and to be very loyal” (Alvesson, 2003, p. 188), I had to pause and re-consider the approach once more. I do not know exactly how the managers I have worked for in “Novo Nordisk” would describe me, but it is a qualified guess that loyalty would be included in the description. So, why did I do it anyway? I have chosen to work with self-ethnography because I believe it is important to contribute practice-based insights to provide a more nuanced understanding of “social partnerships”. Further, a few people were kind enough to remind me that given my experience and position, I have unique access to study what goes on in a corporate machine-room. As an insider, I have access to study how the valuing of “social partnerships” is carried out in a way that would be, if not impossible, then probably substantially more difficult for an “outsider”. “Turn it into your advantage, use it!” - these people said; and then they added “but remember to constantly reflect on your approach and blind spots. All researchers have to do this, but you have to be extra careful”.

The self-ethnographic approach is also frequently debated in the methodology literature. In short, the argument is located between the advantages related to closeness and the disadvantages of the closure associated with being “native”. As Alvesson (2003) points out “taken for granted assumptions, blind spots, taboos and the want to avoid upsetting colleagues may create difficulties and/or self discipline (p. 183). So, where a conventional ethnographer has to “break in”, the struggle for a researcher who performs self-ethnography is to “break away” from what is taken for granted and try to interpret what goes on in the field from a distance. When the researcher breaking in asks “what in hell do they think they are up to?” the self-ethnographer must ask “what in hell do we think we are up to?” (p. 177).

How have I attempted to avoid “closure” and “unfamiliarise” (Alvesson, 2003) myself with “Novo Nordisk”?

First of all, because of the scepticism I have been met with, I have been pushed to constantly bear this in mind throughout the process. For example, inspired by Emerson et al., in the early phase of data collection, I wrote guiding questions in my observation dairy to remind me not to take what I was seeing and doing for granted:

1. “What are people doing? What are they trying to accomplish?”
2. How exactly do they do it?
3. How do people characterise and understand what is going on?
4. What assumptions do they make?
5. The analytic questions: What do I see going on here? What did I learn from these notes? Why did I include them?” (Silverman, 2011, p. 141).

Theory has also helped me. The ANT and valuing lens offered a fresh way of looking at the phenomenon, “Novo Nordisk”, and the work that people who work there – and non-humans – do. It drew my attention to what the tribe (and I as a member of it) was black-boxing and what we had been brought to consider good and bad, success or failure. It provoked a reconsideration of my pre-conceived idea of “Novo Nordisk” as an organisational entity with a certain organisational culture and certain priorities, boundaries and responsibilities.

Finally, and this is a more practical issue – I moved to my university desk when I performed the final analysis and wrote the thesis. This is not rocket-science, but it is considerably easier to distance yourself from a tribe when you are not physically present. At least, that is how it works for me. During the last year, I reduced the days where I was physically present at the company offices from 3-4 days a week to a maximum of 1 day a week. During the last 3 months, I have only spent 2 days in total at the company. Being at the university has given me the opportunity to distance myself from the company and to discuss it as a research “case” and a set of field data.

### *Writing ethnography*

Van Maanen (1988) distinguishes three types of ethnographic “tales”. Realist tales are written by a dispassionate, third person voice who has the final word on how the culture is presented and interpreted. Confessional tales are highly personalised texts that used to be added as an appendix to realist tales. Impressionist tales tell striking stories in the first person. They hold back on analytical interpretation and leave it to the reader to make sense of the tale. Later, advocacy texts with “strong normative” messages were added to Van Maanen’s list (Czarniawska, 2014, p. 120).

This text does not fit one of these descriptions exactly. It has elements of naturalist tales and confessional tales (this chapter in particular is filled with confessions), while it also has traits of impressionism, but it does not hold back on analytical interpretation. As is apparent by now, it is written in the first person singular. It is me, the author and researcher who represents the field and writes the analytical commentary. The ambition is to pursue a self-reflexive writing style that “in seeking to move from universalist pretensions, stages the author as one of the sites where a text is situated” (Mol, 2010, p. 254). I really do not know if it is possible not to write a self-ethnography in the first person, but when contemplating the writing style, I still had concerns similar to the ones that Annemarie Mol describes in her reflection on how she chose to write an article to the *Kölner Zeitschrift für Soziologie und Sozialpsychologie*: “Will it “connote self-indulgence, a lack of academic rigour, or girl-talk”? (ibid). As described above, my own guideline has been that when the text becomes personal it does so for a reason. Either, a particular personal experience is relevant data that qualifies or challenges the argument I am trying to make; or, a personal reflection is relevant to include to create transparency

about the research process. Still, I admit that occasional chit-chat, which does not fall under any of these academic criteria, is present in the text. It is there because it made it easier for me to get through the writing process. Otherwise, in the writing, I only make limited use of ethnographic writing techniques such as vignettes or process narratives (Jarzabkowski & Bednarek, 2014). As an exception, chapter 6 includes what I call a practitioner's account of a partnership process. This is a process narrative with close descriptions of particular settings and situations.

### **4.3. RESEARCH DESIGN**

So, how have I approached this? Which field is the study conducted in? What data is it based on and which methods have I used to generate and analyse them?

#### **4.3.1. THE FIELD**

The research project is designed as an ethnographic field study of valuing work in relation to “Novo Nordisk’s” engagement in social partnerships. The PhD project was conducted from 2013-2015. As mentioned, during the PhD period, I was employed as an “Industrial PhD Fellow” in the company’s Corporate Sustainability (CS) team where I was also working prior to initiating the research project. The CS team includes 19 professionals tasked with managing “Novo Nordisk’s” social and environmental performance in accordance with the Triple Bottom Line business principle, which I introduce in more detail in chapter 5. The CS team is part of the company’s Corporate Stakeholder Engagement (CSE) unit (figure 4.1), which, during the research period, also consisted of a Corporate Public Affairs team, a Corporate Government Affairs team and a Changing Diabetes team tasked with driving the company’s global health strategy under the corporate brand platform Changing Diabetes. In the summer of 2015, CSE was expanded with a Corporate Environmental Management team. CSE’s mission is to “create a supportive environment for people with diabetes and for Novo Nordisk”. When the research project was initiated, CSE was under a Corporate Relations division together with other corporate staff functions. At the end of 2014, this division was dismantled and by December 2015 CSE is part of the “Marketing, Medical Affairs & Stakeholder Engagement” sub-division which reports to the Executive Vice President for “Marketing, China and Pacific”. Figure 4.2 presents the business divisions in “Novo Nordisk” as of December 2015. The offices of CSE and CS are located in the company’s headquarters in Bagsværd, Denmark.

*Figure 4.1: Corporate Stakeholder Engagement organogram, December 2015**Figure 4.2: Business divisions in “Novo Nordisk”, December 2015*

During the first two years, I spent approximately three days a week at the company, moving back and forth between the CS/CSE team and a support function in the company’s Product Supply Division called Global Environment Health & Safety (GEHS). In GEHS, I was part of a partnership project team which is further described below. The GEHS office is also located in the corporate headquarters, but in a different building to CS/CSE.

### 4.3.2. THE RESEARCH ACTIVITIES

The study has been divided into three research activities each of which has generated different types of data through different research techniques. Table 4.2 provides an overview of the purpose of these activities and the timing. In addition to these more formalised research activities, I have continued my participation in “all staff” meetings in CS and CSE and, not to forget, the parties and other types of social events.

*Table 4.2: Research activities*

	<b>Purpose</b>	<b>How</b>	<b>When</b>
<b>Real-time observation and participation: A partnership in the making</b>	Examine valuing work over time to provide an enhanced understanding of valuing work.	Process observation of and participation in a partnership “in the making” supplemented with analysis of project documents.	January 2013 – September 2015.
<b>Interview study: Diabetes/global health partnership managers</b>	Allow comparison between valuing of partnerships in the company’s Product Supply division and the CSE team, and between environmental and community development partnerships and global health partnership.	Interviews with managers of diabetes/global health partnerships initiated and/or managed from CSE.	September – October 2014.
<b>Document analysis: Valuing registers</b>	To further explore the multiplicity of value and valuing in “Novo Nordisk” that was discovered in the interview study.	Document analysis with a primary focus on annual reports, mission and vision statements and employee magazines 1989-2014.	The study was conducted in February and March 2015.

As it shows, the research process has been explorative and one research activity has led to another as the puzzle evolved. Did it start with me wanting to study the performance of worthwhile partnerships? No, it all began when the Senior Vice President of the Product Supply Division (Mr SVP) announced that he would like to hire an industrial PhD to work on a new partnership idea called “Sustainable Communities”. I was not at the meeting where he said it, but a colleague was. I clearly remember that Friday afternoon in 2012 when my colleague returned from the meeting, sat down at his desk next to mine and dropped the line “Mr SVP wants an industrial PhD”. “To do what”?, I asked, but I did not listen to his response because I instantly realised that this was probably my one last chance in life to do the industrial PhD that I had long wanted to. I knew Mr SVP in person because I had been working in Product Supply’s communication department when I joined the company in 2006. Ten minutes later, I dragged my manager into a “quiet room” and told her that this was what I wanted to do. Over the weekend, a few phone calls were made and she sealed a deal with Mr SVP. So, no, I did not set out to study valuing of “social partnerships”. I jumped on an opportunity which gave access to a particular empirical field. As process observations took off and ANT, valuation and ethnography became part of my vocabulary and thinking, the research design evolved.

For the first year, I was fully convinced that all my research would be conducted within the context of the partnership in GEHS. The idea to interview partnership managers in CSE took form during the spring of 2014. First of all, at this time it had become clear to me that the empirical phenomenon I wanted to focus on was “partnerships” in general and not sustainable community partnerships in particular (which I later defined as “social partnerships” based on Waddock’s definition (1988)). For a while, I had, therefore, been struggling with the fact that the partnership I followed the closest for the longest time was anchored in the company’s production unit and that it was about sustainable community development in localities where the company had production sites. I felt that it was kind of ironic as I was actually employed in CSE and sitting next to those managing the company’s diabetes and global health partnerships that were travelling to all sorts of exotic places in the world. Admittedly, there was an element of envy of colleagues that were out in the world while I was stuck doing research that only took me to a dull local town, but there was more to it than that. I had a hunch that there was somehow “more” at stake and possibly other priorities at play in partnerships within diabetes and global health because these were “closer to the money”- closer to the company’s “core business”. Obviously – and this is an example of my personal experience qualifying as data – this hunch reflects that I as a member of the tribe had come to take for granted that money counts more than other priorities and that working with those business activities that make money is somehow more important than other functions of the company. But there was also a research design issue behind the decision to expand the study. As an industrial PhD, in the end, I am supposed to come up with recommendations to the company about

the management of “social partnerships”. The question I asked myself was if I would be able to draw up general recommendations based on an analysis of a partnership in the production unit only. Was this representative of how the company values partnerships in general? Ideally, I would have liked to include process observations of a health partnership in the making, but most of these were well established and the only diabetes partnership that was “being made” at the time was, I was told and witnessed, in a hectic start-up phase that did not allow room for taking a PhD student on board. Instead, I decided to conduct interviews with managers of up-and-running partnerships managed or initiated by CSE.

These interviews fuelled the multiplicity theme. First of all I learned that the partnership managers in CSE in their accounts made CSE “more positive” towards partnerships than the rest of the organisation. “The rest of the organisation prefers to work alone”, they said. I also learned that there were multiple versions of “Novo Nordisk” and partnerships within the walls of CSE and that these different versions were somehow associated with – but not stuck with – the different professional practices at work in CSE. These interviews reminded me about multiplicity oriented ANT which I had been introduced to, but temporarily parked, around a year earlier. They also sparked my curiosity about how the rest of “Novo Nordisk” valued in general and how other business units valued partnerships in particular. What counts in the company? (Stark, 2009). What were the valuing registers in the company? (Heuts & Mol, 2013). And was it true that CSE’s approach to partnerships was different from the rest of the organisation’s? If so, where did that come from and had it always been like that? This is how I ended up spending three weeks in the company’s library reading annual reports, mission and vision statements, employee magazines and other corporate documents. I am grateful that my supervisor advised me to limit the study to “modern Novo Nordisk,” i.e. 1989 and onwards. Had I gone with my original idea to go all the way back to the company’s establishment in 1923, I would probably still be sitting there. What I learned from the historic analysis was that though the valuing registers were not fixed schemes, there had still been a certain stability regarding “shared relevance” and “particular concerns” (Heuts & Mol, 2013) in the company. I also found out when and due to which work practices the company’s identities started multiplying and I saw how these identities were also at play and played with in corporate texts. In this way, the historic analysis added important insight to the multiplicity and identity theme. And finally, I discovered that even though there were multiple versions of partnerships in the company – and negative and positive accounts - the rationale for partnering seemed to be the same for all of these. All departments, CSE included, were partnering with the aim of benefitting the company.

In summary, one thing led to another. Hunches and curiosity have driven the project more than planned methodological or analytical choices. For a long time, I considered the interview study and the historic document analysis supplementary



studies. It was for background or for validation only. As it turned out, the analysis draws on data from all three research activities.

As Silverman points out, a research design is rarely ideal and there are certainly things that I would have loved to do or do differently. I felt this the hardest when I sat down to make the final analysis. On the table and desk top in front of me was an abundance of different types of data, from different departments, in different time perspectives, generated in different ways. Luckily, most of it shed light on valuing of partnerships in the context of “Novo Nordisk” in one way or another. However, turning it into a coherent and meaningful story was a significant challenge. Silverman’s (2011) advice to those that are frustrated about a less than ideal design and data material is to get the most of what you have got and this is what I have tried to do.

### 4.3.3. DATA GATHERING AND ANALYSIS

The PhD project combines several interpretative and ethnographic research techniques. In this section, I describe in more detail how I approached gathering and analysing the data upon which the thesis is based.

#### *Process observation*

The partnership project that I have observed and worked on is called “Sustainable Communities”. As a project under the company’s environmental strategy for 2020, the project was initiated in 2012 with the aim of “maximising value to business and society” by developing “new ways of contributing to the sustainable development of local communities around the company’s production sites”. From January 2013 to September 2015, I followed the implementation of this project both inside “Novo Nordisk” and in a test site where the company, in spring 2013, initiated a partnership with the local municipality around sustainable community development. The Sustainable Communities partnership idea and project is further introduced and detailed in chapter 6 and 7.

In the Sustainable Communities project, I pursued “participant observation” throughout which is defined as “doing the same things as the people I observe” (Czarniawska, 2014, p. 44). I have been a working member of both the company project’s team and the coordination team that was established to manage the collaboration between the company and the local municipality. With the exception of a Steering Group meeting where the company’s project team presented a conceptual model for the project to decision makers in the company, I have not participated in Steering Group meetings in either of the projects. However, I have taken part in the preparation of these meetings and have had de-briefing

conversations with the project managers and full access to meeting minutes as well as all other project documents.

I have kept track of my observations in a project diary noting both what was going on and what my reflections were about what was going on. During meetings, I have taken notes by hand as I find both recording and constant typing disturbing. However, taking detailed notes was difficult as I was actively engaged in discussions during the meetings. To compensate for this, I strived to update the observation diary as soon as possible after meetings had ended. During the research process, I also kept a diary of general observations from participation in meetings in CS/CSE. In the diary, I also reflected on methodological issues related to my own role and involvement in discussions.

From the beginning, the municipality partner was informed about the research project and my position as an industrial PhD employed by “Novo Nordisk”. The fact that I was introduced as a company employee has advantages and disadvantages. On the one hand, it creates transparency about my position and research funding. On the other hand, I am well aware that the local municipality see me as a representative of the company and not a PhD student. In this connection, one of my early ideas was to study “collective valuation” in the sense that I wanted to examine how “Novo Nordisk” and its partners together made partnerships valuable. Because of my position, however, I quickly realised that it was impossible for me to get access to the machine-rooms of the company’s partners. Hence, the study is focused on how “Novo Nordisk” values partnerships though it also, with the approval of the municipality, includes data from meetings and discussions in the local partnership group, including partnership documents and correspondence.

### *Interviews*

Ideally, I would have liked to shadow or follow the partnership managers of health care partnerships in their work in a similar way as I have done in the Sustainable Communities project. As this was not possible, I decided to talk to them about partnerships and partnership work instead. The interviews were conducted on the basis of an interview guide (appendix A) which – in consultancy style – is divided into why, what, how and key lessons. It is structured like this because I negotiated permission to conduct the interviews on the basis of promising to deliver a “mini-evaluation” of partnership management in CSE to the management team. Furthermore, at the time I did the interviews, I had not finally decided on the valuing work approach. Hence, though the rationale and business case for partnering was a key theme in the interviews, I did not specifically ask the partnership managers to describe how they make partnerships worthwhile. Still, though I am aware that interviews do not help us learn how things are actually done, the interviews gave valuable insight into accounts of managing partnerships in practice which – as the coming chapters will show – by and large is valuing

work. The interview themes were emailed in advance and the conversation opened with an invitation to tell the story of how (in the case of partnership managers) the partnership came about and then moved on to reflections about the rationale and business case and descriptions of how the partnerships are managed in practice. The total of 18 interviews lasted roughly one hour each and I was accompanied by a colleague from the CS team. I conducted the interview, but my colleague chipped in every now and then with a particular focus on partnership process facilitation which is her field of interest and expertise. 13 of the interviewees were partnership managers and the remaining 5 were members of the CSE management team all of whom have substantial partnership management experience

All interviews were recorded and transcribed word by word. Not because I like doing this, but because I find that transcription is a useful way to start the analytical process as further described below. The corporate language in “Novo Nordisk” and CSE is English, but all interviews with Danish speaking colleagues were conducted in Danish. If quotes have been translated from Danish to English, the Danish version appears in notes in the thesis.

### *Documents*

As a working member of both the company’s Sustainable Communities project team and the local partnership coordination team, I have had full access to all project and partnership documents in the Sustainable Communities project including project charters, PowerPoint presentations, minutes from meetings, reports, media coverage, e-mail correspondence, etc.

The historic document analysis is primarily based on the company’s Annual Reports, mission and vision statements and employee magazines covering the years 1989 – 2014 inclusive. Environmental reports, social reports and sustainability reports are also included and I have also supplemented the reading of Annual Reports with reading of the company’s quarterly announcements. Furthermore, the document analysis includes press releases and material from history books produced by the company.

### *Data analysis*

During the process, the data material has piled up everywhere. My electronic files, my shelves at the university, my home is filled with data. With the exception of a few corporate videos and some photos, most of the data material is text. Some texts are my own doing, i.e. observation diaries, field memos and transcripts. Other texts are documents gathered in the field. In this section, I first describe how I analysed these different types of text. Second, I elaborate how theorising – or “emplotment” as Czarniawska calls it (2014) – has provided the analytical tools that have helped me put the pieces of the puzzle together in a hopefully convincing way. I describe

the different parts of analytical work separately though in real life it was intertwined.

### *Analysing observation notes and interview transcripts*

Analysing observations started early on. As mentioned, the diary files have two columns; one where I note down what was happening, and one where I noted reflections about the observed. As pages were added to the diaries, I started noting themes and recurring patterns; “Again, I wonder why we are doing this ranking exercise – is it just a show trial?”, “We discuss again why we are so frustrated about the process”. I also started noting discrepancies or things that challenged previous ideas or interpretations. In preparation for PhD work-in-progress seminars, different courses, conference proceedings and supervisor meetings, I wrote memos and made presentations of preliminary analysis and results which brought me to look for similarities and dissimilarities across process observations, interviews and document analysis as these data were added to the piles.

Analysing interviews started right away. As mentioned, a colleague participated in interviews and following each interview we had a cup of coffee and discussed what we had heard and how the interview had gone. These reflections also influenced the following interviews where I started referring to previous interviews and later to general themes or discrepancies. While we addressed all the themes or questions in the interview guide in all interviews, the later interviews turned more and more into analytical conversations where my initial reflections from previous interviews were discussed with the interviewee. Transcription was the next step in the interview analysis. While I was listening to the tapes, typing the conversation, as with the diaries, I started reflecting on recurring themes and opposing views. When all the transcriptions were completed, I briefly considered using NVivo, but I finally chose the old-fashioned technique of using different coloured pens to mark themes in the transcripts. First, I gathered all responses in one document and sorted the text according to the interview guide. So, all the “this is how it happened” stories were collected together as were all the discussions about partnership rationales, etc. Then, I read through the transcripts and noted common themes such as “we can’t do it on our own”, “it’s risky business” and the corporate identity theme: “partnerships change who we are”. I noted opposing views such as discussions about whether it is okay that the company has the final word or not and whether it is okay that it is hesitant to partner with competitors or not. Finally, I took note of key words and terms such as “true partnerships”, “the text book version partnership”, “win-wins”, “reputation”, “influence”, “social impact,” etc. It was as a result of this analysis that I, among other things, discovered the multiple identities and versions of reality at play at the company, which later led me to do the historic document analysis. When the analytical framework was completed, I read the transcripts again and realised, among other things, that the partnership ideal that was a prominent theme in

partnership managers' accounts played a practical role in partnership management as well as a valuing tool that partnerships managers used to improve partnerships.

Analysing transcripts of conversations with people that I know has been a special challenge. I had to pay attention not only to what Ms Colleague says and how she says it, but also to how my personal relation with her influences the conversation and my initial interpretation of it. I had to try to un-know the people I have interviewed. Going through the interviews several times, helped me distance myself from the conversation and my initial interpretation of them. I reflected on what the interviewees share with me that they would probably not share with an "outsider". I reflected on what they did not share because I was the interviewer. Certainly, I felt a difference during the interviews with new colleagues who only know me as the PhD student who is sometimes around and those that I had known and worked with for many years. I have reflected on my own interpretation of the conversation. I interpret Mr Colleague's response as ironic because I know him, but do I really know him and what happens if I listen to his response from a different position? Finally, I had to ask myself if there were questions that I did not ask because I did not want to look stupid or come across as disloyal and what this tells me about the research context. This made me note that I was more cautious and on my toes in the interviews with the members of the CSE management team.

### *Analysing documents*

In document analysis, I was guided by Coffey and Atkinson's advice to analyse documents for "what they are and what they are used to accomplish" (Silverman, 2011, p. 238) and by Hammersley and Atkinson's ethnographic questions about texts:

- "How are texts written?
  - How are they read?
  - Who writes them?
  - Who reads them?
  - For what purposes?
  - On what occasions?
  - With what outcomes?
  - What is recorded?
  - What is omitted?
  - What is taken for granted?
  - What does the writer seem to take for granted about the reader(s)?
  - What do readers need to know in order to make sense of them?"
- (Silverman, 2011, p. 239).

The annual report, for example, is a legally binding document targeting investors. It is a heavily edited document even though at first glance it may not look this way

with its magazine style look and seemingly casual Q&As with each member of the executive management team. The employee magazine is also an edited document produced by the company's Corporate Communication department. Editing aside, however, I believe corporate documents are important sources that tell us something about – not how things really are – but how those producing these documents wish to portray the company to those reading the documents, i.e. what they find important, or not important, to communicate and debate.

In practice, the analysis of annual reports and employee magazines took place by first skimming through all documents and placing post-it notes where there was a text or an article that, in one way or another, expressed or touched upon goods and bads, value and values and priorities in the company. Inspired by Heuts and Mol (2013), the skimming was informed by the questions “what is good business?” and “what is a good partnership or collaboration?”. Following this initial scanning, I copied all the selected articles, documents and text bites and sorted the copies in piles according to chronology and document types (Annual Report, mission and vision statement, employee magazine and “other documents”). Next, I sat down and read from 1989 onwards making note in a table format of particular themes and debates, change in language and arguments, typical words, etc. in each type of documents. I quickly noted two recurring themes in the documents. One was related to the key word “results”, the other to the key word “relations”. In the 1990s, these themes were also referred to as “value” and “values”, but across the period the “results” and “relations” terms were the most frequently used in the selected documents. Besides these general headlines, the reading resulted in long lists of themes in each document group that I needed to sort further to get to a more structured presentation of what the company values. As in the case of the interview analysis, the valuing perspective helped me do that. Based on Heuts & Mol's (2013) definition of valuing registers as areas of “shared relevance” (p. 129) and/or “particular concerns” (p. 140), I sorted the data into themes that were prominent in all types of documents not “just” in the annual reports, in the employee magazines or in the mission and vision statements. Further, I examined how these themes were related to each other in the texts. Productivity and quality, for example, were typically discussed as key concerns in the broader context of the company's profitability and continued business success. Additionally, inspired by the focus on activities and work practices in the valuing perspective, I further narrowed down the themes based on the criteria that the most relevant themes and concerns were those that were not just debated in documents, but also worked on and visible in the company. In this part of the analysis, I drew on my personal work experience and knowledge of the company. This process led to the identification of four valuing registers in “Novo Nordisk” that I present in the following chapter. While the process facilitated a structured presentation of valuing registers, it also led to – if not directly a de-selection – then at least a downplaying of recurring themes that were given less attention across the documents. These include productivity and quality that I present (in chapter 5) as critical concerns in the valuing register that I

refer to as “Profitability & Market Leadership”. Other examples are employee engagement and health and safety that I include in the valuing register called “Responsibility & Accountability”. Had the document analysis been based on, for instance, employee magazines only, employee related concerns would likely have been presented as a separate valuing register, but because they are not in focus in annual reports they were included under the “Responsibility & Accountability” heading that was a prominent theme in all documents.

### *Theorising*

As pointed out by Silverman (2011), it is pivotal to narrow down ethnographic research as “without some perspective... there is nothing to report” (p. 129). To do the analysis, however, you need more than a perspective – you also need analytical concepts.

As described earlier, ANT and valuation theory has played an important role in this study from early on. For a long time, I carried books and texts by Dewey, Callon, Boltanski and Thévenot, Stark and Mol in my bag, but in the end, the bag became too heavy and I had to make a final decision about which theories to use. This led to the research proposition and analytical framework presented in chapter 3.

As mentioned above, when I conducted the final analysis, I looked at the piles of data through the valuing lens and applied the analytical concepts of valuing registers and valuing work. Which data tell me something about the valuing registers in the case? Which data tell me something about valuing work? And, importantly, what do they tell me about these concepts – what are the key points about valuing registers and valuing work in this particular material? Inspired by Heuts & Mol, I examined if there were valuing registers that were taken for granted and I examined the tensions between registers and how these were coordinated. Further, based on my practical experience, I looked out for tensions that were not accounted for as tensions by the company.

The fact that I had been carrying many books for a long time meant that some of my preliminary analysis had to be re-structured and re-written. I had to let go of ideas. Also, some data that I thought were useful at the time when I collected them were left out – for example a long historic description of collaboration and partnerships in other areas of the company. Other data that I originally collected for background information were suddenly relevant in new ways. For example, the interviews with partnership managers were originally performed to validate process observations, but in the end, these interviews became important sources for the analysis of valuing registers as well as valuing work.

Conducting the final analysis brought back the question of the ideal research design. “If only I had asked this or that question, I may have got an even better

account of valuing work”, “Now that I know this, it would have been great to do that”. But again, there is no turning back, only to make the most of what one has got. I hope this chapter has clarified how and why I got what I got.



## CHAPTER 5. GOOD BUSINESS

In this chapter, I explore what “good business” is in the context of “Novo Nordisk”. Inspired by Heuts & Mol’s (2013) description of valuing registers, I identify the “axes along which” good and bad business get mapped (p. 128) and show that the registers, as indications of “shared relevance” (p. 129) and “particular concerns” (p. 140), have evolved historically in response to changing concerns amongst what the company refers to as its “stakeholders”. Further, as a precursor to the analysis of valuing work in relation to “social partnerships” (chapter 6 and 7), I explore the tensions within and between registers and describe how the registers are not elusive themes or versions of reality, but are enacted, supported and coordinated through organisational structures, management systems and tools and, not least, different types of work. Finally, I show that the registers reveal a “Novo Nordisk” multiple which offers, at least, four different versions of corporate identity and reality.

The chapter is primarily based on the historic document analysis of statements of purpose, vision and values, annual reports (supplemented by quarterly announcements) and employee magazines, but I also draw on my practical experience from working at the company. The analysis begins in 1989 when the company with the name “Novo Nordisk” was established and ends in 2014 with the exception of some data from 2015. The chapter opens with a brief introduction to “Novo Nordisk” to provide relevant background information and a more concrete idea of the actor in question. Following this, in section 5.2, I present the four valuing registers that I have derived from the document analysis and describe the organisational structures, management systems and types of work associated with these. In section 5.3, I examine the coordination of tensions within and between valuing registers and finally, section 5.4 summarises the chapter.

### 5.1. INTRODUCING “NOVO NORDISK”

In the following, I set the stage for the analysis of valuing registers with a short account of the history of the company. This serves a double purpose. First, the historic account functions as an introduction to the company and the pre-1989 period. Second, it serves as an illustrative example of what this chapter is about – what the company values and how value is enacted. In the second part, I provide an overview of the company from 1989 to 2015 in terms of business activities, ownership, size and statements of purpose and vision.

### 5.1.1. PRE-1989

One of the ways that the valuing registers that I present in this chapter are enacted and coordinated is through text and talk. Instead of telling the pre-1989 history in my own words, I leave the floor to how the history of “Novo Nordisk” is presented on the corporate website. Without pre-empting the sections that follow, I can reveal that all of the valuing registers elaborated below are enacted by this text. Listed as they appear and in order of when they appear in this text, the clues to the valuing registers are “Changing”, “scientists”, “leading” and “responsibility”:

#### Changing the world of diabetes for 90 years

Behind the Novo Nordisk we know today lies an exciting story that goes back 90 years. It began with the two small Danish companies Nordisk Insulinlaboratorium and Novo Terapeutisk Laboratorium founded in 1923 and 1925, respectively. The two companies started the production of the revolutionary new drug insulin that had just been discovered by two Canadian scientists.



#### Building on the past - looking to the future

Since the earliest days, both Nordisk and Novo had focus on the development of products to benefit people with diabetes. Competing intensely with one another, the companies developed into two of the best in their field. When at last they decided to merge in 1989, they created Novo Nordisk. A company that has been expanding rapidly ever since with leading positions within diabetes care, haemophilia care, growth hormone therapy and hormone replacement therapy.

Today the Novo Nordisk Way shows responsibility to patients, employees, communities and investors.

We will in the future continue to build on the legacy left by the founders of Novo Nordisk and do whatever it takes to change diabetes. Our history tells us it can be done.

In the history section on the corporate website, there is also a sub-site dedicated to the “founders” of the company. This text emphasises the personal interest in diabetes through the story of husband and wife August and Marie Krogh who were both scientists and Marie Krogh herself a diabetes patient:



### August and Marie Krogh

(1874-1949) (1874-1943)

The story of Nordisk Insulinlaboratorium began on an autumn day in 1922, when August and Marie Krogh arrived in the United States by sea. August Krogh was a professor at the University of Copenhagen and had received the Nobel Prize in physiology in 1920. The couple had been invited to the US by researchers at Yale University, who had asked August Krogh to lecture throughout the country on his medical research.

On their tour of the US, the couple heard daily reports of people with diabetes being treated with insulin – a hormone discovered in 1921 by two Canadian researchers, Banting and Best. Marie Krogh was particularly interested in the treatment. Herself a doctor, she had in 1914 also become the fourth Danish woman to earn a doctorate in medicine. She was a researcher with her own medical practice and had several patients with type 1 diabetes. Marie Krogh herself had type 2 diabetes. It was Marie, who suggested that her husband contact the University of Toronto where the first life-saving insulin extract had been produced.

As an employee of “Novo Nordisk”, I have been presented with several other versions of the corporate history and additional historic details over the years. In so-called “fire-side chats” with executives, I have been told that the company was founded on “a man’s love for a woman”. In meetings in the network for “Women in Novo Nordisk” it has been emphasised, as it is also emphasised in the text above, that Marie was a successful researcher herself and that it was on her initiative that

the couple travelled to Canada and brought the license to produce insulin home to Denmark. During these meetings, the message was clear: If it was not for her, a talented and persistent woman, the company probably would not exist! I can not know for sure, but I consider it a qualified guess that employees in others areas of the company have been presented with different versions and details about the qualities of the men and women who founded the company. What I know for sure, however, is that I often use the history and the founders myself when I make presentations about the company's Corporate Sustainability work. Apart from the story about August and Marie, I may also tell the story of the brothers who founded Novo Terapeutisk Laboratorium, Harald and Thorvald Pedersen. In this story I will highlight that the brothers had a unique family feeling and were pioneers when it comes to taking good care of employees and giving back to the community. Another favourite story is about the time "Novo Nordisk" stayed in Russia during tough times when other pharmaceutical companies left the country. With these stories, I try to convince the audience that the company is a responsible citizen that is in business for the long term and committed to patients and communities even when the going gets tough. The stories about the Pedersen brothers and Russia are not on the corporate website, but I tell them anyway and when I do this I engage in valuing work. In such presentations, I enact a certain version of "good business" and – as I elaborate in the following sections – with this also a certain version of "Novo Nordisk" and reality, while colleagues, at the same time, but in other situations may enact quite different versions of the "business" and what is "good". I return to this point later in this as well as the following chapters; however, for now it is time to turn to "Novo Nordisk" post-1989.

### 5.1.2. "NOVO NORDISK" 1989 - 2014

The company "Novo Nordisk" underwent quite significant changes from 1989 to 2014 in terms of product areas, ownership and size. It starts out as a company with two central product areas: pharmaceuticals and industrial enzymes. In 2000, the enzymes unit is demerged from the health care unit and established as an independent company under the name "Novozymes". Hence, from 2000, "Novo Nordisk" is a health care company only.

The company construction following the de-merger is pictured in figure 5.1<sup>5</sup>.

---

<sup>5</sup> The illustration is from novonordisk.com, retrieved 18 December, 2015.

*Figure 5.1: Ownership*

Throughout the period, “Novo Nordisk” was a publicly listed company with a share structure divided into A and B shares. According to the corporate website, the majority vote is held by the “Novo Nordisk Foundation” which is “a non-profit institution, whose formal purpose is to provide a stable basis for its company’s operations and to make contributions to scientific, humanitarian and social progress”. Following the demerger, the foundation established Novo A/S which is an unlisted public limited liability company established to “manage the Foundation’s funds and to invest actively in other companies”. Following the demerger, “Novo Nordisk’s” A shares are held by Novo A/S and the Novo Nordisk Foundation. The company’s B-shares are listed on Nasdaq Copenhagen and on the New York Stock Exchange as American Depositary Receipts (ADRs).

As shown in table 5.1, over the years, the company also grew larger in terms of turnover, number of employees and global presence. Furthermore, the demerger is also reflected in a change in the statements of the company’s purpose and vision. These are included in summarised versions in the table and further elaborated in the following sections. Before 2000, the purpose is stated as “improving the way people live and work”. Following the de-merger, the purpose is formulated as “defeating” and later “changing” diabetes through prevention, treatment and finding a cure.

Table 5.1: “Novo Nordisk” 1989 - 2014 <sup>6</sup>

	<b>1989-1999</b>		<b>2000-2014</b>	
Product areas	The Health Care Group (HCG)’s primary divisions are diabetes care and biopharmaceuticals. The Bioindustrial Group (BIG)’s primary business units are enzymes for detergents and industrial processes.		BIG is demerged from Novo Nordisk into the company Novozymes A/S. Novo Nordisk is now a health care company focusing on diabetes, haemophilia, growth disorders and hormone replacement treatment.	
Turnover (DKK million)	4,912 in 1989 20,924 in 1999		20,811 in 2000 88,806 in 2014	
Employees	8,094 in 1989 15,184 in 1999		13,752 in 2000 41,450 in 2014	
Globalisation	30 subsidiaries in 1989 38 subsidiaries in 1999		Represented in 68 countries, 2000 Employees in 75 countries in 2014	
Statements of purpose and vision.	<i>Improving the way people live and work</i>		<i>Prevent, treat and ultimately cure diabetes</i>	
	<b>The “rationale”, 1989</b>  It is NN’s business to develop and market products and industrial processes which satisfy real needs – improving the way people live and work.	<b>Our purpose, Vision 21, 1994</b>  It is NN’s business to develop and market products which satisfy real needs – improving the way people live and work.	<b>Novo Nordisk’s vision, 2000</b>  We will be the world’s leading diabetes care company.  Our aspiration is to defeat diabetes by finding better methods of diabetes prevention, detection and treatment.	<b>Novo Nordisk Way 2011</b>  Today, we are thousands of employees.. with..commitment to continue this journey to prevent, treat and ultimately cure diabetes.  Our ambition is to strengthen our leadership in diabetes.

<sup>6</sup> Data on turnover, employees and globalisation is from the annual reports for 1989, 1999, 2000 and 2014 respectively. From 1989 to 1999 the company reported number of “subsidiaries”. In 2000, it reports the number of countries it is “represented in” and in 2014 the number of countries it has “employees in”.

With this introduction to the origins of “Novo Nordisk”, what it does and what it looks like in terms of formal structure and typical measures of size, it is time to explore the valuing registers.

## 5.2. VALUING REGISTERS

As described in chapter 4, the valuing registers that I am about to present were derived from the historical document analysis which was guided by the definition of valuing registers (Heuts & Mol, 2013) as indications of “shared relevance” (p. 129) and/or as “singling out a particular concern” (p. 140). Further, as also described in chapter 4, given the magnitude of the data material that led to a long list of themes of relevance and particular concerns, I developed my own analytical criteria regarding what makes a valuing register in this case. What this means is that the registers presented here are defined as themes of relevance and/or particular concerns that were frequently addressed in the annual reports as well as in the employee magazines and also reflected in the mission and vision statements of the company. Additionally, I defined registers as being the main themes of relevance and/or particular concerns meaning that themes that are primarily accounted for as important only or primarily because of another register are not listed as separate registers, but as indications of the importance of the register that they are directly related to. Further, I added a third criterion which was supported by the document analysis, but also informed by my practical experience and knowledge of the company. This was the degree to which the theme of relevance or the concern was not “just” written and talked about in the documents studied, but also worked with in practice; and the degree to which it was clearly and visibly manifested through organisational structures and management systems and tools. The result of the document analysis is the four valuing registers presented in table 5.2.

*Table 5.2: Valuing registers in “Novo Nordisk”*

		Valuing registers	Relevance/concern
Good business	Good results	Profitability & market leadership	Business success
		Science & innovation	Medical innovation
	Good relations	Responsibility & accountability	Business conduct
		Change leadership	The role of business in society

In the following, I elaborate the valuing registers. Three of them, profitability & market leadership, science & innovation and responsibility & accountability can be traced back to 1989, though their focus and relative importance change over the years. The fourth register, change leadership, comes into the picture from the late 1990s. To close the section, I discuss whether any valuing registers are taken for granted and not addressed in documents.

### **5.2.1. BUSINESS SUCCESS: PROFITABILITY & MARKET LEADERSHIP**

In chapter 2 and 3, I argued the case for questioning the “for-profit – not-for-profit” lens instead of taking it for granted. In this light, it seems almost ridiculous to state that profit counts in “Novo Nordisk” – but it does. Throughout the studied period, the key measures of financial performance that are highlighted in the annual reports (and quarterly company announcements) are: “Sales”, “operating profit” and “net profit” though the terminology used from 1989 to 1998 is not “profit,” but “operating income” and “net income”. As Heuts and Mol (2013) draw attention to, there are ranges of good and bad in relation to the entity being valued. This is also the case in relation to profit in “Novo Nordisk”. An increase in sales and profit equals a good result, but obviously, the bigger the increase, the better the result. With a few exceptions, the company has reported increases in sales and profit since 1989 and in the annual reports the degree of “goodness” of financial results is expressed as results being either “satisfactory”, “good” or “positive” or “very good” or “very positive”. From 2000 to 2014, the results are particularly “good” with “47 quarters of double-digit sales growth” (Annual Report 2014, p. 2). Further, it is good business to meet or exceed earlier announced expectations to the stock markets which not least becomes clear on the two occasions in the period studied where the company has to “revisit” its “guidance” to the financial markets. This happens for example in 2014 which ends “much better than it started” because the company in the first quarter had to lower its sales guidance for the full year (Annual Report 2014, p. 2).

Often, the report of “satisfactory”, “good” or “very good” financial results are reported in the context of the market environment and how other companies are doing. When results are stated to be achieved “despite” what is referred to as “challenges in the market place,” results are enacted as even better. In 1992, the company “succeeded in living up to” its goal of growth in profit “despite a difficult year characterised by recession and major currency instability in the international market place...” (Annual Report, 1992, p. 6). In the Annual Report 2008, the company reports “very positive” results in the year of the global financial crisis:

“A severe economic crisis brought an end to the belief in uninterrupted growth...Businesses, large and small, are in crisis. Some that were



considered icons in their industries no longer exist. Against such a backdrop it is with great humility, but also with pride and satisfaction that we can report on a year that has been very positive for Novo Nordisk” (p. 2).

### *Market leadership – winning and growing*

Closely related to profit is the issue of market leadership. Winning over competitors and making money are two sides of the same coin, but winning and being better than competitors is also enacted as good in its own right as indicated by the importance given to market leadership in vision statements and ambitions. Since 1989, the company has pursued a strategy of growth and expansion to achieve a global market leader position. In 1989, the stated objective is “to be an international leader within our fields of activity and to be the company which serves our customers’ needs in the most competitive way” (The Rationale, 1989, figure 5.2). Being first on the market with a new product is considered key to success. In the annual report of 1991, the CEO says: “To be truly innovative also means being first. It is important for us to strive to be first on the market with the right products” (p. 9). With the new Vision 21 launched in 1994, “Growth and expansion” is identified as a key objective on a three year horizon with “Market leadership” as one of three sub-objectives: “We shall offer the best combination of the highest product quality, service, reliability, certainty of renewal, and cost to satisfy each customer’s particular needs better than any competitor”. After the demerger in 2000, the health care company’s vision is to be “the world’s leading diabetes care company,” while in the Novo Nordisk Way from 2011, the company’s ambition is to “strengthen our leadership in diabetes”. Market leadership is measured in terms of the company’s share of global and local markets for different diabetes care product segments in “volume,” i.e. the company’s share of total units sold and in “value,” i.e. the company’s share of total sales. Market shares are widely referenced in annual reports and employee magazines and, based on my practical experience, widely discussed in the company.

*Figure 5.2: The “Rationale” for Novo Nordisk, 1989*

### ***The rationale***

#### *Mission statement*

*It is Novo Nordisk’s business to develop and market products and industrial processes which satisfy real needs – improving the way people live and work.*

### *Objectives*

*Building on our strong commitment to research and development, especially within medicine, biochemistry and technical sciences, we will strive to be an international leader within our fields of activity and to be the company which serves our customers' needs in the most competitive way.*

*Novo Nordisk will strive for innovation in the prevention and treatment of disease.*

*Novo Nordisk will develop and market products and industrial processes which will improve the economy and safety of manufacturing processes and at the same time reduce the strain on the environment, and result in better products for the end users.*

### *Our business policy*

*We will compete with the best in setting the standards for our industries.*

*Novo Nordisk will be a challenging and fair employer, a reliable business partner and a responsible citizen, committed to a continued growth of the company's assets to the benefit of all our stakeholders.*

.....

### *Business critical issues*

Related to profitability & market leadership are a number of priorities that in corporate documents are enacted as business critical issues that have a direct impact on business success in the short term or longer term.

### *Productivity*

Not only sales and profit count in financial terms, the relationship between the two is equally important as expressed in the emphasis put on the "gross margin" in announcements of quarterly financial results. During the 1990s, a key theme in the employee magazines is that the company is less productive than the competition, i.e. the "level of return" is not good enough. As the Chief Financial Officer puts it: "We are just not good enough in coming up with a good return on our investments in our businesses" (Dialogue, November 1996, p. 6). A "high-priority goal" introduced in the beginning of the 1990s was "to have pre-tax income increase at a faster rate than sales (Novo Nordisk Annual Report, 1991, p. 7). The argument is related to securing future business success: "As our activities are getting increasingly cost and investment intensive, satisfactory earnings growth is an absolute must for safeguarding the financing of our future activities" (Annual Report, 1991, p. 10).

With the aim of improving productivity, throughout the 1990s, a series of “major organisational changes” and productivity initiatives swept through the company. The productivity initiatives have names such as “Business Process Reengineering programme” and “MAX” which aims to ensure that staff and service functions created “most possible – maximum – value to business units and the company as a whole” (Dialogue, January 1996, p. 7). Productivity continues to be a key concern after the demerger in 2000. In 2003, the Japanese LEAN philosophy was implemented at all production sites to reduce the Cost of Goods Sold (COGS). The company makes its own version of LEAN which it calls cLEAN (and no, it has nothing to do with not being dirty. The little “c” stands for “current” indicating that the current version of LEAN is to be continuously improved. It is a parallel to cGMP (Good Manufacturing Practice)). In the following years, the LEAN philosophy spreads to R&D and other business areas. Again, the long-term financial success of the company is argued to be the key driver: In an article in the employee magazine, the Senior Vice President for Product Supply says: “A look at our competitors show that their production costs are lower than ours – and that’s not sustainable in the long term” (People 6/2003, p. 20) .

### *Quality and business ethics*

Quality is another important concern in “Novo Nordisk”. Quality is one of four immediate focus areas in the Vision 21 launched in 1994 and in the 1990s there is a substantial debate about the importance of quality in the documents as the company is facing delivery problems as a consequence of struggling to meet the “increasingly stringent quality and documentation requirements of the authorities” (Annual Report, 1994, p. 6). Though what in the company is sometimes referred to as the “quality crisis in the 1990s” is resolved, among others, through the introduction of ISO quality management systems, quality continues to be a key concern. In an interview in the employee magazine in 2005, the CEO is asked what keeps him awake at night. His answer is quality:

“The worst nightmare I have is if we cannot sustainably manufacture our injectable drugs so that people get hurt or even die. That is my nightmare. ....In our business, quality in everything we do is of utmost importance. Of course we have all of the competitive issues – and whether we can manage our competitors and develop products long-term and so forth. But today and tomorrow, if something happens in our factories that contaminates our products, **that** will destroy our reputation. And we just can’t let that happen” (People 1/2005, p. 6, emphasis in the original).

To emphasise the importance of quality, there are two quality related targets included in the annual report. One is the number of product recalls from the market. The other is the number of warning letters from health authorities received after

quality inspections. A warning letter may lead to the withdrawal of marketing authorisation if the identified quality issue during the inspection is not satisfactorily resolved. For both measures the target is zero. In other words, as the Novo Nordisk Way from 2011 states, “we never compromise on quality..”. The years of 2012 and 2013 were particularly challenging years in this regard as the company in 2012 received a Warning Letter from the Food and Drug Administration (FDA) in the US and in 2013 had to recall products from the market. Commenting on these events, the CEO says: “Not the kind of events we had hoped for in our 90th anniversary year – or in any other year for that matter. For Novo Nordisk’s employees, who take immense pride in the safety and efficacy of our products, such events are downright painful” (Annual Report, 2013, p. 2).

The Novo Nordisk Way from 2011 includes another example of what I later in this chapter will refer to as a “non-negotiable”<sup>7</sup> that attempts to make the multiple versions of “good business” hang together (Mol, 2002). The full statement referred to above is: “We never compromise on quality **and business ethics**” (emphasis added). Quality and business ethics are also referred to as “compliance issues” in the company as they refer to laws, rules and regulations that are assessed as having business critical consequences, financially as well as reputationally, if the company fails to comply. Business ethics is an interesting case in this regard because it becomes increasingly regulated in the period studied which is also reflected in the introduction of new corporate policies and procedures on business ethics, including, among others, a compliance hotline (a whistle blower function) and the establishment of business ethics functions across the company. The Physician Payments Sunshine Act<sup>8</sup>, adopted by the US Congress in 2012, is a leading example of increasing regulation, but also cases of pharmaceutical companies receiving substantial monetary fines and also, more recently, cases of the imprisonment of pharmaceutical executives are referred to in documents as well as daily work. Hence, from being enacted as a concern primarily related to ethical business conduct in the 1990s, business ethics gradually moves from the responsibility & accountability register to the profitability & market leadership

---

<sup>7</sup> Arguably, the zero-tolerance stance on business ethics can also be interpreted in other ways than it being an example of a coordination mechanism. For example, it could be argued to be a sentence that attempts to discipline employees and manage the company’s reputation.

<sup>8</sup> The Physician Payments Sunshine Act is a US law that aims to increase the transparency of financial exchanges between health care professionals and health care companies (<https://www.gpo.gov/fdsys/pkg/PLAW-111publ148/pdf/PLAW-111publ148.pdf>, retrieved 24 January 2016).

register where it is enacted in relation to business success and as such valued in a different way.

In summary, profitability & market leadership is a dominant valuing register in “Novo Nordisk” which gives high priority to issues that are argued to be directly related to this register as well. In the following section, I explore a second valuing register which is closely related to profitability & market leadership, but is also, I argue, a valuing register in its own right.

### 5.2.2. MEDICAL INNOVATION: SCIENCE & INNOVATION

In contrast to pharmaceutical companies marketing so-called generic (non-patented) medicines, “Novo Nordisk” is an R&D based pharmaceutical company which “discovers and develops” patented medicines (Novo Nordisk Way, 2011). As illustrated in the introduction, the research based history of the company and its founders is strongly emphasised in company presentations of the corporate history. One of the reasons that I argue that it is a valuing register in its own right is precisely that it is a central theme in all the statements about who we are, what we do and where we come from. In other words, it is closely tied to corporate identity (as this is described in corporate documents) in a way that quality and business ethics, for example, is not. Meeting “real needs” and – after 2000 – “unmet medical needs” through the “discovery of new, innovative products” (Novo Nordisk vision, 2000) are key tenets in all the statements of corporate rationale, visions and ambitions that are included in this study. In the documents, science & innovation is enacted not only as critically important for business success, but as the very foundation of continued success; or, as it is often referred to in daily work, “the business model”. All annual reports and quarterly announcements include detailed updates about the “R&D pipeline” specifying how “new drug candidates” are progressing through the phases of clinical development that, if progress is successful, ends with filing an application for a New Product Approval (NPA) with health authorities. Figure 5.3 below illustrates the diabetes care pipeline.

















































Filing and, not least, the approval of NPA applications is enacted as business critical news in the company, not only because the company is legally required to report this to the financial markets, but also – as I have experienced as an employee – through the way these events are widely celebrated throughout the company. Apart from celebrating the business prospects and issuing the mandatory company announcement, people play a leading role in this communication which relates back to the point made above that science & innovation is enacted not only as a business success concern, but as a question of “who we are”. First, in the internal mails where executives share the good news, it is typically highlighted that a new approval is good news for patients as well as the company. Secondly, the individual

researchers who have discovered the compounds or molecules that lead to the approval of new products are widely celebrated and promoted in internal as well as external media.

Figure 5.3: Example of R&D pipeline illustration (Annual Report, 2014, p. 26).

## PIPELINE OVERVIEW

### DIABETES AND OBESITY CARE

Compound	Indication	Description	Phase 1	Phase 2	Phase 3	Filed/ regulatory approval
<b>Diabetes</b>						
<b>Tresiba*</b> (insulin degludec) NN1250	Type 1 and 2 diabetes	A new-generation, once-daily basal insulin analogue with a duration of action beyond 42 hours and a flat and stable action profile that compared with insulin glargine reduces the rate of hypoglycaemia and increases dosing flexibility when needed. Launched in the EU, Japan and other markets. Additional data required by the US FDA are being generated for the planned resubmission.				
<b>Ryzodeg*</b> (insulin degludec and insulin aspart) NN5401	Type 1 and 2 diabetes	A soluble coformulation of the basal analogue insulin degludec (Tresiba*) and insulin aspart (NovoRapid*, or NovoLog* in the US, a rapid-acting mealtime insulin), which reduces the risk of hypoglycaemia compared with premix insulin. Approved in the EU, Japan and other markets. Additional data required by the US FDA are being generated for the planned resubmission.				
<b>Xultophy*</b> (a fixed combination of insulin degludec and liraglutide) NN9068	Type 2 diabetes	A combination of insulin degludec and liraglutide in a once-daily single injection. Approved in the EU.				
<b>Faster-acting insulin aspart</b> NN1218	Type 1 and 2 diabetes	Faster-acting insulin aspart is insulin aspart in a new formulation designed to accelerate the onset of action with the potential for improved meal-time glucose control.				
<b>Semaglutide</b> NN9535	Type 2 diabetes	A once-weekly GLP-1 analogue intended to offer the clinical benefits of a GLP-1 analogue with less frequent injections.				
<b>LATIN T1D</b> NN9211	Type 1 diabetes	Liraglutide, a once-daily GLP-1 analogue, intended to offer clinical benefits as adjunct to insulin therapy in type 1 diabetes.				
<b>OG2175C</b> NN9924	Type 2 diabetes	A long-acting oral GLP-1 analogue intended as once-daily tablet treatment.				
<b>OG987GT</b> NN9926	Type 2 diabetes	A long-acting oral GLP-1 analogue intended as once-daily tablet treatment.				
<b>OG9875C</b> NN9927	Type 2 diabetes	A long-acting oral GLP-1 analogue intended as once-daily tablet treatment.				
<b>LAI287</b> NN1436	Type 1 and 2 diabetes	A long-acting basal insulin analogue intended for once-weekly dosing.				
<b>LAI338</b> NN1438	Type 1 and 2 diabetes	A long-acting basal insulin analogue intended for daily administration.				
<b>OI338GT</b> NN1953	Type 1 and 2 diabetes	A long-acting oral basal insulin analogue intended as once-daily tablet treatment.				

As I elaborate in section 5.4, it is likely that another reason for the focus on science & innovation in the documents is that the “business model” comes under increased scrutiny in the period. As reported in early 1995: “The pharmaceutical industry is changing dramatically.... Only unique drugs will command premium prices and

even such drugs must add new value in lowering overall health costs” (Annual Report, 1994, p. 9). Hence, business success is not guaranteed with the approval of a new product, but is also a question of the price that can be charged, which is greatly influenced by whether health authorities, insurance companies and other organisations, which are typically referred to as “payers” by the company, include the product on their lists of medicines that can be reimbursed. From 1989 to 2014, negotiations with payers about the cost-effectiveness of medicines and whether new products are worth the premium price charged in comparison to older product generations intensify. In response, the company establishes “Pharmaco-Economic” and “Health Economics” teams (Dialogue, June/July, 1995, p. 5) to provide evidence of the value of continued innovation. But the value of continued medical innovation is not the only aspect of this debate. Another concern is whether continued medical innovation deprives the increasing number of poor people with diabetes access to proper and affordable treatment. Where business ethics was an example of a concern that moved between valuing registers in the period, medical innovation is a concern both in relation to business success, i.e. the profitability & market leadership register and in relation to business conduct, i.e. the responsibility & accountability register which I present below. With this, I end the presentation of the two registers related to “good results” and open the description of the two registers that revolve around the importance of “good relations”.

### **5.2.3. BUSINESS CONDUCT: RESPONSIBILITY & ACCOUNTABILITY**

In the responsibility & accountability register, the concern is with the way good results are delivered - the way the company “does business”. Being a “responsible citizen” who is accountable to and benefits all its stakeholders was already being talked about in 1989, but becomes an even more prominent theme during the 1990s and remains important throughout the studied period. In the company’s rationale from 1989 (figure 5.2), the company’s “business policy” is presented thus: “We will compete with the best in setting the standards for our industries. Novo Nordisk will be a challenging and fair employer, a reliable business partner and a responsible citizen, committed to a continued growth of the company’s assets to the benefit of all our stakeholders”. In the annual report of 1991, the responsibility towards stakeholders is reiterated: “Responsibility should always be a key word in everything we do” (p.10).

The increasing focus on responsibility and accountability towards stakeholders does not emerge out of the blue. Growing public concern in the 1990s with the way the company makes enzymes and medicines were covered in annual reports as well as employee magazines. Environmental NGOs and representatives of the so-called “green consumer movement” were concerned with the company’s use of Genetically Modified Organisms (GMOs) in the production of both enzymes and

medicines. Another concern of these groups was that enzymes produced by the company used in detergents, among others, may cause allergy. This was in fact an old concern that re-emerged. The “scare story” which is often referred to in the company when explaining the rationale for having good relations with stakeholders is the case of an American consumer activist who, in 1969, launched a campaign against enzymes in detergents. According to a history publication about the company’s corporate sustainability work, from 1970 to 1971, the company’s sales of detergent enzymes in the US were halved and 700 employees lost their jobs (Novo Nordisk, 2012, p. 20). Another concern covered in the 1990s pertains to the use of animal experiments in the health care business which was criticised by animal welfare groups.

From the late 1990s onwards, a series of new public concerns emerge related not to how the products are made, but to how the company makes money. As mentioned, the R&D based pharma business model starts being questioned. The issue of poor people’s access to health starts being mentioned in corporate documents in the late 1990s and in 2001, shortly after the de-merger, it hits the company right in the face. In 2001, the company is heavily criticised in Danish media for joining the pharmaceutical industry in a law-suit against the South African government. The industry claims that the South African government’s Medicines Act of 1997 violates international patent rights. Critics claim that the industry is preventing the delivery of affordable generic medicines to the millions of Africans suffering from HIV/AIDS. 2 March 2001, 10 Danish NGOs organise a protest demonstration outside “Novo Nordisk’s” production site in Copenhagen (Novo Nordisk, 2012, p. 40-41).

As I elaborate in section 5.3, the focus on stakeholder concerns and responsible business conduct in the 1990s leads to the establishment of a stakeholder relations function and to new management systems and reporting practices, including the introduction of the Triple Bottom Line<sup>9</sup> commitment to financial, environmental and social responsibility (figure 5.4). “Novo Nordisk” is not the only company that starts working with corporate responsibility in the 1990s and during the 2000s, the notion of corporate responsibility gains further ground in the global business and investor communities. In the annual report from 2004, a senior analyst from Lehman Brothers (and yes, this is pretty ironic knowing what happened to Lehman Brothers four year later..) is quoted as testimony to this trend: “At a time of intense scrutiny of the industry, investors are looking for companies that stand out because they perform well in social, environmental and ethical areas” (p. 18).

---

<sup>9</sup> The Triple Bottom Line term is typically attributed to John Elkington who introduced it in the book “Cannibals with Forks: the Triple Bottom Line of 21st Century Business” from 1997. I explain Novo Nordisk’s definition and use of it in section 5.3.



In the responsibility & accountability register, “good” and “bad” is measured in terms of new types of environmental and social performance metrics and through so-called third party endorsement. It is “bad business” when influential stakeholders speak critically of the company in public and “good” when they do the opposite. The company’s ranking in investor led sustainability indices such as the Dow Jones Sustainability Index<sup>10</sup> is another highly important measure of good and bad. As more companies launch corporate responsibility commitments and programmes and as investors start ranking performance, it is no longer sufficient to be responsible and accountable, now it is important to be better than competitors in this field. In Corporate Stakeholder Engagement where I work, “leading in sustainability” has been a strategic priority and target for several years. Performance against this target is measured in terms of a top ranking in the Dow Jones Sustainability Index.

As mentioned above, in the late 1990s, the responsibility and accountability theme extends from having had a focus on responsible and ethical business conduct to also focusing on the “bigger” question about what role companies ought to have in resolving societal challenges such as poor people’s access to health. In the context of “Novo Nordisk,” this coincides with the demerger and with a number of developments that relate to the different valuing registers. First, as I elaborate below, there is an increased focus in the global health community on diabetes as a societal challenge. Second, it coincides with the increasing pressure on the business model mentioned in section 5.2.2. Third, it coincides with the company being well on its way to taking over the position as the world market leader in diabetes treatment. In “Novo Nordisk” this leads to, among others, a leadership debate, the introduction of new ways of working with stakeholders, partnerships included, and, not least, the introduction of the corporate brand and commitment: Changing Diabetes. While closely related to the other valuing register – and debated, as I address in section 5.4 – I argue that change leadership becomes a valuing register on its own, not least because it is associated with new work professions and the corporate brand that in 2015 is still highly visible in every corner of the company and in how the company presents itself to the outside world.

---

<sup>10</sup> The Dow Jones Sustainability Index is an investor ranking launched in 1999. It “tracks the stock performance of the world’s leading companies in terms of economic, environmental and social criteria” (<http://www.sustainability-indices.com/index-family-overview/djsi-family-overview/index.jsp>, retrieved 20 December, 2015).

*Figure 5.4: The Triple Bottom Line commitment in the Charter for Companies in the Novo Group, 1999*

### **Commitments**

#### *Financial responsibility*

*We will work to continuously improve our financial performance by setting high objectives for growth and value creation and deliver competitive performance in these areas. We will maintain an open dialogue with our stakeholders and comply with international reporting standards.*

#### *Environmental responsibility*

*We will work to continuously improve our environmental performance by setting high objectives and integrating environmental and bioethical considerations into our daily business. We will maintain an open dialogue with our stakeholders and report annually on our environmental performance.*

#### *Social responsibility*

*We will work to continuously improve our social performance by setting high objectives and integrating social, human rights and health and safety considerations into our daily business. We will maintain an open dialogue with our stakeholders and report annually on our social performance.*

.....

## **5.2.4. THE ROLE OF BUSINESS IN SOCIETY: CHANGE LEADERSHIP**

While the leadership debate takes centre stage from the late 1990s, the question of the company's role in society started to be addressed in the early 1990s. At this point in time, however, the documents express a rather reactive and humble approach. Here is an example from the introduction to the first environmental report issued by the company: "We are doing our best to understand and contribute to the international debate on sustainable development and the sustainable use of natural resources" (Environmental Report, 1993, p. 2). In the 1995 environmental report, a slightly more active role is indicated. The CEO says that "Novo Nordisk will continue to participate actively in the debate on corporate environmental, social and ethical responsibilities" (p. 4). In the environmental report of 1997, it is mentioned that the company may even have a positive role to play as part of the solution not the problem:

“From our viewpoint sustainable development is also – as it says - about development and this means that industry can gain without the environment having to lose and vice versa. We believe that Novo Nordisk can make an important contribution to a sustainable future through the products we make and the technologies and processes we employ. And we do believe that we can be part of the solution – not the problem” (p. 2).

Though not as high on the public agenda as sustainable development, another societal issue emerges in the 1990s: The number of people with diabetes in the world is increasing. In the 1998 annual report, “Novo Nordisk” makes reference to a report by the World Health Organisation (WHO) stating that the estimated 135 million people with diabetes in 1998 will grow to more than 200 million in ten years and to more than 300 million by 2025 (p. 16). The 1999 annual report emphasises, with reference to the WHO, that “developing countries will bear the brunt of the epidemic in the 21st century” (p. 12). This coincides with the debate about access to health spearheaded by Oxfam and other global NGOs. In 1999, the newly appointed CEO travels the world in preparation for taking over the new health care business the following year. Upon his return, he signals that the company should play a more active and collaborative role in the health care system beyond delivering “better pharmaceuticals”:

“From meetings I have had with patients, doctors, nurses and policy makers around the world, I have learned that our support is needed more than ever. Some maintain that in the short term the most significant improvements will probably occur through greater awareness about diabetes, education and improving deficiencies in the health care system. I believe that is right. Therefore, in addition to increasing our efforts to identify better pharmaceuticals for diabetes, we are committed to promoting collaboration with all parties who share the common goal of defeating diabetes” (Annual Report, 1999, p. 9).

In 2001, the year of the South African court case, the rhetoric is even stronger:

“In our increasingly globalised world, problems such as the growing poverty gap and environmental degradation are too complex for any single society, government or institution to solve on its own. At the same time, the public perception is that business is becoming more powerful. With that power comes an expectation that companies will assume greater responsibility for solving society’s problems.... NN is committed to working with other partners to help ward off this impending healthcare crisis” (Annual Review, 2001, p. 23).

The health care company’s new vision from 2000 (figure 5.5) indicates that this point - that it should take on a new extended role in society is recognised in the

company. As it aims to become “the world’s leading diabetes care company,” the vision sets an aspiration to “defeat diabetes by finding better methods of diabetes prevention, detection and treatment” which goes beyond developing new treatments. Further, it makes a commitment to “work actively to promote collaboration between all parties in the health care system in order to achieve our common goals”. With this wording – noticeably the term “our common goals” - the company’s business is enacted as a societal challenge that it will partner with others to resolve.

*Figure 5.5: Novo Nordisk’s vision 2000*

### ***Our vision***

*We will be the world’s leading diabetes care company*

*Our aspiration is to defeat diabetes by finding better methods of diabetes prevention, detection and treatment. We will work actively to promote collaboration between all parties in the health care system in order to achieve our common goals.*

*We will offer products and services in other areas where we can make a difference*

*Our research will lead to the discovery of new, innovative products also outside diabetes. We will develop and market such products ourselves whenever we can as well as or better than others.*

*We will achieve competitive business results*

*Our focus is our strength. We will stay independent and form alliances whenever they serve our business purpose and the cause we stand for.*

*A job here is never just a job*

*We are committed to being there for our customers whenever they need us. We will be innovative and effective in everything we do. We will attract and retain the best people by making our company a challenging place to work.*

*Our values are expressed in all our actions*

*Decency is what counts. Every day we strive to find the right balance between compassion and competitiveness, the short and the long term, self and commitment to colleagues and society, work and family life.*

*Our history tells us it can be done*

In 2005, a new corporate brand is introduced which not only introduces a new visual identity (figure 5.6) for the company, but also articulates the company's role as being "a catalyst for change". As the company announces its expectations regarding financial results to shareholders, Changing Diabetes is a publicly announced commitment to the company's stakeholders, though what changing diabetes entails is obviously more open to interpretation than an expected increase in sales or operating profit. In the joint welcome letter signed by the CEO and the Chair of the Board in the Annual Report 2005, the following wording is used:

"We have a responsibility as part of our vision to try to influence the negative trends of this global health issue (diabetes, ed.) and avoid unnecessary human suffering and a staggering cost to society. That is why we wish to be a catalyst for changing diabetes." (Annual Report, 2005, p. 4).

*Figure: 5.6 The Changing Diabetes logo*



In the history publication about the company's corporate sustainability work, the introduction of the new brand and the commitment to "change diabetes" is described as having been introduced to enhance the company's leadership role: "Novo Nordisk's vision is to defeat diabetes. The imperative to step in and step up to that challenge had never been bigger. We felt that the company could enhance its leadership role by building one unifying platform from which we could speak in a coherent voice about the things that we care about" (p. 55). However, the introduction to the Changing Diabetes commitment is also presented as a platform to respond to the "increasing price-pressure" and argue the case for the value of insulin: "...We also recognised that with healthcare budgets under pressure the price of medicines was under the spotlight. We wanted the world to know that we offered more than just medicines and that inadequate access to proper diabetes care comes at a price much higher than the cost of daily doses of insulin." (ibid). In other words, as stated in the Annual Report 2014, changing diabetes is enacted as a commitment to play a leading role in tackling diabetes as well as an opportunity to advance the company's business: "Changing Diabetes® is Novo Nordisk's commitment to prevent, treat and ultimately cure diabetes. It is both an obligation and a business opportunity for Novo Nordisk to engage in the fight against diabetes" (p. 28-29).

As such, change leadership success is measured in terms of the company's contribution to tackling diabetes as a societal challenge – what in the company is typically referred to as having an influence on the political agenda and having a positive “social impact” – as well as in terms of advancing the company's business opportunities – typically referred to as “business impact”. As neither the “social”, nor the “business” are pre-defined or unified categories or measures, this is, as the analysis of valuing of partnership will show, a task that takes a lot of work in practice. Furthermore, the definition of change leadership as such was also being intensely debated in the late 2000s as the question of the company's role in and contribution to society is also a question of who the company is and which reality it is part of. In comparison to the statements in the 2005 report about “wanting to be a catalyst for change”, in the annual report of 2014, Changing Diabetes is presented as the company's “response to the global diabetes challenge” (p. 29). This debate is described in more detail in section 5.4 on tensions.

Before I proceed, I will follow Heuts and Mol's (2013) advice to look out for valuing registers that are taken for granted.

### **5.2.5. ARE THERE ANY VALUING REGISTERS THAT ARE TAKEN FOR GRANTED?**

This question calls for me to not only read the documents critically, but also reflect on what I take for granted as a company employee. Though not as clear cut a case as the omission of the health register in the case of tomatoes (Heuts & Mol, 2013), I think it is fair to say that an underlying assumption in all of the above-mentioned registers is that making diabetes medicines is a good thing to do. It improves and prolongs people's lives. Measured through Quality of Life indicators, Life Years saved and productivity improvements, the health economists and public affairs professionals work to demonstrate that the company's products offer good or better health. Hence, generally, the company works under the assumption that living for as long as possible in good health (physically and mentally) is a good thing. Certainly, as described above, there are debates about the necessary quality of the treatment, about the added value of medical innovation and the new generation treatments, but that diabetes is a condition that should be treated is not up for discussion. The company is engaged in other therapy areas such as the treatment of obesity and menopause syndrome where the value of medical treatment is disputed, but it still engages because it believes that it will improve the lives of the people that suffer from these conditions.

While writing these lines, I am reminded that some years back, when I was working in the company's climate strategy team, we were discussing in the team how we should respond to emerging insights on the relationship between climate change

and health. In one of the discussions, I recall somebody cracking a crude joke saying that maybe the best thing we could do in terms of reducing CO<sub>2</sub> was to stop providing treatments so that more people with diabetes would die earlier. And really, if you think of it in terms of a valuing register that puts the survival of the planet over the survival of people, prolonging people's lives is not a good thing to do. But in the context of "Novo Nordisk", this joke fell so far out of the valuing registers that I felt bad that I could not help laughing at such an insult to human life. Some years later, the outcome of the discussion was that we, among others, initiated a project aimed at measuring the CO<sub>2</sub> reduction associated with keeping people with diabetes in good health (saving energy at the clinics and hospitals that would have to treat them if they were not doing well). You may think that this sort of measurement is just as far out as the joke about human life. Nevertheless, working with and within the valuing registers of "Novo Nordisk," this was the approach to the issue of climate change and health that – after conducting a lot of the type of valuing work that is described in chapter 7 – ended being performed as a good approach for the company. This highlights the point, also noted by Heuts and Mol that while valuing registers have ranges of good and bad, and as such offer a wide repertoire of permutations, there are still boundaries to what can be performed as good or worthwhile. The aspects which are non-negotiable, as described above, represent one way of indicating boundaries, but as the following chapters show, boundaries are also in this case "experimentally discovered through a process of tinkering" (Heuts & Mol, 2013, p. 138).

In the following, I elaborate how the four valuing registers are not only enacted through text based accounts, but also enacted and supported through organisational structures, management systems and different types of work. Following this, I look into the question of tension within and between them.

### **5.3. MANAGING "GOOD BUSINESS"**

From 1989 onwards, "Novo Nordisk" gradually introduces a series of new ways of managing "good results", "good relations" and the relationship between the two. From 1994 to 1999, these are merged into the "Novo Nordisk Way of Management" which applies to every business unit and employee in the company. Since 2011, the management system is just referred to as the "Novo Nordisk Way". The Novo Nordisk Way and the systems and tools that are associated with it are enacting and supporting individual valuing registers, but the Novo Nordisk Way also serves as a form of coordination mechanism that attempts to make "Novo Nordisk" hang together.

### 5.3.1. MANAGING GOOD RESULTS

A productivity programme, a quality management system, a whistle blower hotline, an R&D pipeline overview are just a few examples of the numerous structures, systems and tools that enact and support the good results registers, but there are also systems that cut across all business units aimed at driving “good results”. Notably, in 1994-1995, in connection with the introduction of the new corporate strategy, Vision 21, the company implements a Balanced Scorecard<sup>11</sup> and starts working with goal setting, target setting and Key Performance Indicators (KPIs) at the business unit level (Dialogue, December 1995, p. 3). This is conducted to “build performance orientation” as the CEO at the time puts it (Annual Report, 1996, p. 7). The performance orientation also includes new pay systems based on “job requirements and performance” and in 1995 the company introduces a new “people performance” system where all employees, including executives, are given individual performance targets that are tied to business unit targets and to financial bonuses. Employee performance is rated annually as outstanding, very good, satisfactory or unsatisfactory.

From 1996, the company also begins setting long-term financial targets for annual growth in operating profit, operating margin, return on non-financial assets and cash flow to “continue to deliver competitive results” (Annual Report, 2000, p. 4). In 2000, the target for return on non-financial assets is replaced with a post-tax return on invested capital to “increase the focus on “tax and net assets management” and strengthen the “focus on sustainable long-term cash generation” (ibid).

The Vision 21 from 1994, which sets a 10 year mission for the company to be “Best in our business and a challenging place to work,” includes a guideline for what “must be done to achieve this”. These statements are later referred to as management “fundamentals” (The Novo Nordisk Way of Management, 1997), “management principles” (Novo Group Charter, 1999) and “essentials” (Novo Nordisk Way 2011). As the comparison between the first and the latest version shows (table 5.3), focusing on customers’ (patients’) needs and setting stretching (ambitious) goals top both lists. The two texts also enact a priority to optimise and simplify work procedures and focus on what adds value to customers.

---

<sup>11</sup> The Balanced Scorecard is a strategy and performance management system developed by Kaplan and Norton who have written several articles and books on the idea, for example Kaplan, Robert S; Norton, D. P. (1992). “The Balanced Scorecard - Measures that Drive Performance”. *Harvard Business Review* (January–February): 71–79.



*Table 5.3: Management principles from 1994 to 2011*

<b>Vision 21, 1994: To achieve our mission we must...</b>	<b>Novo Nordisk Way, 2011, Essentials</b>
<p>Work with a fundamental understanding of our customers so that we may satisfy their needs better than anybody else.</p> <p>Set and reach stretching goals for everything we do.</p> <p>Have the right people in the right positions.</p> <p>Focus on activities which are essential to our continued growth.</p> <p>Build on world class discovery and product development activities to turn advances in the biosciences into market driving products and technologies faster than any competitor.</p> <p>Energise our company through the removal of organisational barriers and of every unnecessary procedure which does not give customers added value.</p> <p>Achieve a sustainable competitive financial performance.</p>	<ol style="list-style-type: none"> <li>1. We create value by having a patient centred business approach.</li> <li>2. We set ambitious goals and strive for excellence.</li> <li>3. We are accountable for our financial, environmental and social performance.</li> <li>4. We provide innovation to the benefit of our stakeholders.</li> <li>5. We build and maintain good relations with our key stakeholders.</li> <li>6. We treat everyone with respect.</li> <li>7. We focus on personal performance and development.</li> <li>8. We have a healthy and engaging working environment.</li> <li>9. We optimise the way we work and strive for simplicity.</li> <li>10. We never compromise on quality and business ethics.</li> </ol>

### 5.3.2. MANAGING GOOD RELATIONS

At the company, the Novo Nordisk Way of Management is often referred to as a “value-based management system”. In 1994, the Vision 21 is launched which besides a purpose and the mission mentioned above also outlines four values: “Ambitious, Accountable, Participative and Open and Honest”. In 1996, 10 fundamentals for management are introduced and 13 policies are launched. Together with the Vision 21 they constitute the Novo Nordisk Way of

Management. To ensure follow up, a team of internal auditors, so-called facilitators, is established who are tasked with carrying out reviews of all units worldwide. Furthermore, annual employee satisfaction surveys are implemented measuring satisfaction in relation to the management principles stated by the Novo Nordisk Way.

The CEO at the time is keen to ensure that what he refers to as the “soft” measures, the company’s values, are to be managed in the same way as the “hard” measures. As I elaborate below and in following chapters, the practice of “saming,” i.e. working with not just values, but good relations in general in a way that is, if not the same, then at least similar to the way good results are worked with is a distinct feature of valuing work in “Novo Nordisk”. Back to the specific question of corporate values; in the annual report of 1996, the CEO is quoted as saying:

“To build performance orientation we are sharpening our ability to set goals and to keep score. We want to measure performance against plans, not only on the ‘hard’ quantifiable variables, but also on the ‘soft’ variables – performance against our core values” (Annual Report, 1996, p. 7).

In 1999, a Charter for the Novo Group of companies is written to ensure that “the future companies in the Novo Group will build on the same basic beliefs and values that today characterise Novo Nordisk” (Environmental and Social Report, 1999, p. 3). In the Charter, being “accountable, responsible and engaged with stakeholders” are listed as company values (figure 5.7) and responsibility is further emphasised through the new Triple Bottom Line (TBL) commitment to financial, environmental and social responsibility mentioned above (figure 5.4).

*Figure 5.7: Values, the Novo Group Charter, 1999*

### **Values**

*Accountable – to company, ourselves and society*

*Ambitious – highest standard – challenging goals*

*Responsible – conduct our business in a socially and environmentally responsible way and contribute to the enrichment of the communities in which we operate*

*Engaged with stakeholders – active dialogue to help us develop and strengthen our business*

*Open and honest – to protect the integrity of the Novo Group companies and each employee*

*Ready for change – innovation, learning culture*

After the demerger of the enzymes business, the Novo Nordisk Way of Management and its related guidelines and processes are continued in the health care business. In 2004, the “objects” section of the company’s Articles of Association (AoA) are amended to specify that the company “strives to do business in a financially, environmentally and socially responsible way” (Novo Nordisk, 2015, p. 3). The inclusion of the TBL commitment in the AoA enacts it as not only important, but mandatory to prioritise.

*Stakeholder Relations, stakeholder management and new reporting practices*

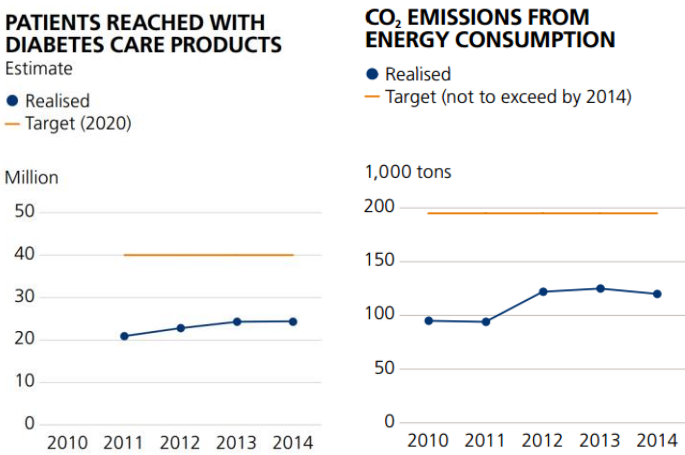
The values based management system and the new TBL commitment to account for social and environmental performance is also reflected in new organisational structures and the introduction of stakeholder management as a new type of activity in the company. During the 1990s, a “Stakeholder Relations” unit is established that at the time of the de-merger counts 168 employees working with, among others, communication, labour relations, environmental affairs and occupational health and safety (Dialogue, June/July, 1999, p. 5). In 2002, the head of Stakeholder Relations is promoted to member of the Executive Management team. In the following years, a “Corporate Relations” business area is established as the Executive Vice President, besides communication and stakeholder relations, takes on additional responsibilities for Quality, Human Resources and Business Assurance. In 2014, as mentioned, Corporate Relations is dismantled in connection with a reorganisation of the Executive Management team. In this connection, the Stakeholder Relations unit – today called Corporate Stakeholder Engagement (CSE) – is moved to a business area headed by the Executive Vice President for “Marketing, China and the Pacific” and included in a business unit called “Marketing, Medical Affairs and Stakeholder Engagement”.

Up until the mid 2000s, the Stakeholder Relations unit is primarily charged with tasks associated with the Triple Bottom Line commitment, i.e. spotting trends, working with different business units to develop responses and strategies for emerging issues in the public and reporting social and environmental performance. Over the years, this has led to strategies for bioethics, environmental management, climate change, human rights, health and safety, sustainable supply chain management, access to health and business ethics. An important part of this work is to develop Key Performance Indicators for environmental and social performance and produce the company’s annual report. In 1994, the company issues an environmental report for the year 1993. The first social report is issued in 1998. From 1999 to 2003, “Novo Nordisk” issues sustainability reports. Since 2004, the year of inclusion of the TBL in the Articles of Association, the company’s financial, social and environmental performance has been reported in one report.

In line with the financial performance management systems and the practice of setting long-term targets for financial performance, the new reporting practices

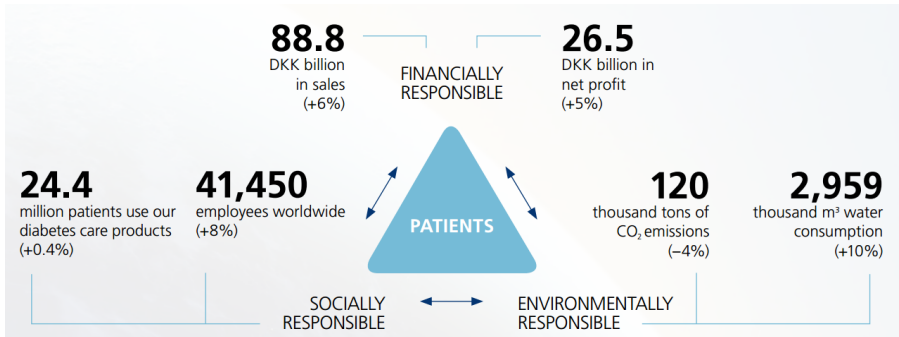
introduce long-term targets for environmental and social performance. The long-term social and environmental targets are included in the individual performance targets and incentive schemes for employees from shop floor to executive management. Figure 5.8 shows two examples of reporting of social and environmental performance against long-term targets from the annual report from 2014 (the long-term CO<sub>2</sub> emission target was set in 2006). The “social” target concerns how many diabetes patients the company is reaching with its products. The “environmental” target concerns reduction of CO<sub>2</sub> emissions.

Figure 5.8: Reporting of social and environmental performance against long-term targets (Annual Report, 2014, p.12-13).



The following clipping from the Annual Report from 2014 (figure 5.9) shows how social and environmental results are also communicated alongside with financial results. As sales and net profit, the number of patients who use the company’s products, the number of employees and CO<sub>2</sub> emissions and water consumption are reported in quantitative terms and curves and graphs enacting them as equally important. Further, the social and environmental performance sections of the annual reports are audited and the Corporate Sustainability team works continuously to upgrade the social and environmental data quality to meet the same quality level as the data quality level that is legally required for financial data.

Figure 5.9: Communication of Triple Bottom Line performance (Annual Report, 2014, p. 5).



Hence, the Triple Bottom Line and the annual reports of performance on all three bottom lines in one so-called integrated annual report is a way of enacting the three bottom lines – and good results and good relations – as equally important. However, it is important to note that, at the same time, the TBL maintains a distinction between the three bottom lines which – as I elaborate in the following – proves to be useful when dealing with tensions between them.

As described above, stakeholder management is still a central part of the work carried out in Corporate Sustainability as one of the teams in the business unit that in 2015 is called Corporate Stakeholder Engagement. But stakeholder relations is no longer only a question of managing the company's TBL commitment. Since the introduction of the Changing Diabetes brand and commitment in 2005, new teams conducting new types of work have been added to the unit and Corporate Sustainability has also started working with TBL in new ways.

#### *Corporate branding, public affairs and new ways of working with TBL*

In the mid 2000s, the company hires corporate branding experts and builds a Corporate Branding team that becomes part of the Stakeholder Relations unit. At first, the team works with visual identity as well as Changing Diabetes campaign activities. As one example, the Changing Diabetes bus world tour is launched. The bus is a mobile clinic that travels the world to raise awareness about diabetes (figure 5.10 – and yes, the vehicle in the photo is a truck, but in the company it is called a bus...).

*Figure 5.10: The Changing Diabetes World Tour*



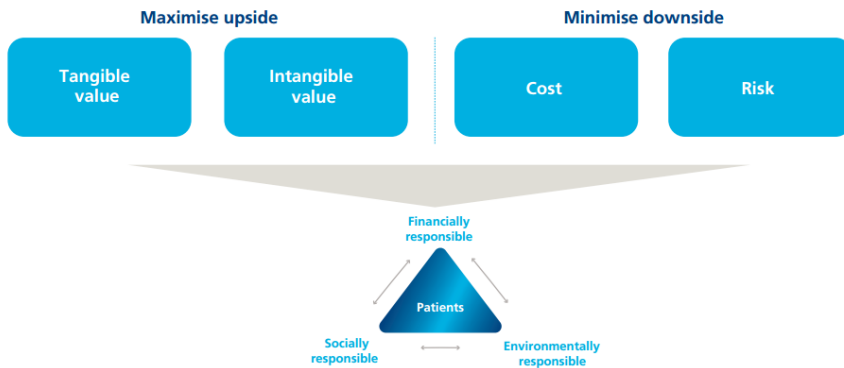
In 2007, a public affairs team is established in the unit that today is called Corporate Stakeholder Engagement. The public affairs team is tasked with building a global public affairs function in “Novo Nordisk”. In the following years, the company intensifies its public affairs activities and extends the organisation including public affairs offices in Washington D.C. and Brussels (the latter is called the “Changing Diabetes Advocacy Office”). The public affairs organisation is focused on raising awareness about the societal and personal burden of diabetes. Besides traditional public affairs work, from 2007 onwards, a series of “Changing Diabetes Leadership Forums” are conducted. These are large international meetings that gather “payers and policymakers” to elevate diabetes on public agendas. The public affairs network expands rapidly from 2007 onwards at the corporate as well as affiliate level and by December 2015 it was the largest team in Corporate Stakeholder Engagement. Towards the end of the 2000s, the company’s access to health activities also becomes more closely associated with the Changing Diabetes commitment, for example through the “Changing Diabetes in Children programme” and the “Changing Diabetes in Pregnancy programme” both launched in 2009. These programmes are further described in chapter 6.

As mentioned, the way the company works with TBL is also changing during the 2000s. In the documents studied it starts being talked about in a language similar to the language used when talking about financial performance in the profitability & market leadership register. Examples of new wording associated with TBL in the documents are value, value drivers, benefits, costs and assets. In the Annual Report 2010, the Executive Vice President (EVP) of Corporate Relations is asked how it can be “determined whether the TBL approach creates business value”. In the response, the EVP stresses the long-term “value” and the “assets” generated by the TBL approach:

“...when we do business in a responsible way, we create value in several ways: we strengthen our company reputation, earn stakeholder trust, build employee engagement and customer satisfaction and through these assets a stronger foundation for remaining a profitable business, which ultimately benefits our shareholders” (Annual Report, 2010, p. 21).

In 2010, as alluded to in chapter 1, Corporate Sustainability launches a new programme called “Blueprint for Change” which aims to “assess and communicate how our Triple Bottom Line business principle delivers value to business and society” (Blueprint no.1, 2010, p. 16). The Blueprint for Change programme is based on a model that introduces four “value drivers” associated with the TBL business approach: Tangible value, intangible value, costs and risks (figure 5.11).

*Figure 5.11: The Blueprint for Change value creation model (Blueprint no. 3, January 2012, p. 24)*



In summary, in this section I elaborated how the valuing registers in “Novo Nordisk” are not only written and talked about, but also enacted and supported by the way work is organised in practice, by the types of work that are carried out and the various management systems and tools involved in this work such as the Balanced Scorecard and performance management system, the Novo Nordisk Way, the Triple Bottom Line and the Changing Diabetes commitment and brand. In this case, the relationship between valuing registers and practical work seems to go two ways. When a work unit is established, when people are hired and when systems and tools are developed to do something about a theme of relevance or a particular concern, the valuing register is strengthened and acquires a physical presence and visibility that enact it as important. This is how, I argue, responsibility & accountability and change leadership have been established as separate valuing

registers in “Novo Nordisk”. On the other hand, when changes are made to the way work is organised, this may potentially end a valuing register from one day to the next, or call for the associated actors to ensure that it is continually enacted as worth prioritising which may involve changing the way it is worked with. For example, as an employee, I have observed how the transfer of Corporate Stakeholder Engagement from Corporate Relations to Marketing has resulted in an increased focus on demonstrating the “business impact” of stakeholder engagement activities. What this emphasises is that the valuing registers and the work units and systems that enact and support them are not stable constructions. Further, what this suggests is that the more persistent valuing registers are those that are strongly supported by structures, systems and work and the more persistent types of work are those that relate to more valuing registers, which means that they can be enacted as worth doing in several and not just one register. In my analysis, the new way to work with TBL described above is an example of how a type of work that was introduced as an enactment and support of the responsibility & accountability register is now trying to strengthen the register and the work associated with it by relating it more strongly to the “good results” registers. What this indicates, again, is that the valuing registers are not fixed schemes that discipline actors. Rather, they are being worked with to maintain and improve their standing in the company.

In the following section, I describe the main tensions in and between registers as they come across in the documents studied. Further, I explore what seems to be typical ways of coordinating tensions in text and speech and I also examine the coordination of tension in the specific case of the company’s access to health strategy. Finally, in line with the question about valuing registers that are taken for granted, I discuss whether there are tensions that the documents silence.

#### **5.4. TENSIONS WITHIN AND BETWEEN GOOD RESULTS AND GOOD RELATIONS**

As pointed out by Heuts and Mol (2013), there may be tensions both within and between registers. The main tensions (table 5.4) within the good results registers – profitability & market leadership and science & innovation – manifest in the documents as discussions about whether results are good enough to ensure business success in the short and long term. As the company’s financial results, market leadership position and R&D pipeline continuously improved from 1989 to 2014, this is not a tension that is very visible in the documents except for the debate about the value of medical innovation that I elaborate below.



Table 5.4 Tensions between valuing registers

		<b>Good results</b>	<b>Good relations</b>
		<i>Are results good enough now and long term?</i>	<i>Profit or people?</i>
<b>Good results</b>	Profitability & market leadership	Are financial results and/or market position good enough?  Are we in compliance with rules and regulations?	Are production methods safe, ethical and environmentally sound? (1989 onwards)  Are pricing and marketing strategies fair? (payers and patients) (from late 1990'ies onwards)
	Science & innovation	Is progress in the pipeline good enough to sustain future business success?	Is continued innovation really needed? Does it provide added value? (payers) (1989 onwards)
<b>The business case for relations work</b>  (How) do good relations contribute to good results?			
		<i>Profit or people?</i>	<i>The Walk and the Talk</i>
<b>Good relations</b>	Responsibility & accountability	Are production methods safe, ethical and environmentally sound? (1989 onwards)  Are pricing and marketing strategies fair? (payers and patients) (from late 1990s onwards)	Is our relationship with stakeholders good enough to maintain our license to innovate and operate?  (Is NN really walking the TBL talk?)

	Change leadership	Are pricing and marketing strategies fair? (payers and patients) (from late 1990s onwards)	Are we playing a sufficiently active role in providing access to health and defeating diabetes to maintain our leadership position?  (Is NN really changing diabetes?)
--	-------------------	--	--

In the two good relations registers – responsibility & accountability and change leadership – the main tension within is concerned with whether the company’s relationship to key stakeholders and the company’s role in and contribution to society is good enough to maintain its license to operate and innovate and its leadership position. Is the practical implementation of the TBL and Changing Diabetes commitments good enough to be trusted and earn a leadership reputation among stakeholders or is the company taking relational risks? This is a tension that is also referred to as the balance between “the walk and the talk”.

The main tensions between good results and good relations are typically dichotomised as “profit or people?” dilemmas and concern how good the company’s financial results are if you take the way products and money are made into consideration. In other words, the concerns that stakeholders may have about the company’s “walk” create tensions within the relations register as well as between the results and relation registers. It is worth noting, as I explain further below, that there seems to be less tension between the two good relations registers and the science & innovation register – at least as expressed in the documents. As mentioned, several of the activities conducted under the Changing Diabetes commitment aim to raise awareness and provide evidence that continued innovation is both needed and worthwhile for patients as well as society. In this perspective, the change leadership register is both in tension and not in tension with the good results registers depending on the topic. It is in tension with the profitability & market leadership register when it comes to the discussion about what the market leadership role entails, in particular regarding access to health. However, when it comes to the value of continued innovation, there is no tension between the two.

Finally, the documents also point to a tension between the registers in the form of a tension between those that work with good results and those that work with good relations. This is a question about how good relations contribute to good results – is relations work worthwhile from a results point of view? This question is also referred to as the “business case” regarding relations work at the company. The tensions are elaborated and exemplified in the text that follows which also explores how they are dealt with.

### 5.4.1. PROFIT OR PEOPLE?

There are several versions of “profit or people” tensions in the material. However, in this section, I focus on the tensions related to how the company makes money, i.e. the questions of the value of medical innovation and poor people’s access to health because these are the most intensely debated themes. Furthermore, these themes provide insight into the different strategies used to coordinate tensions and also show that such strategies may change.

#### *Defending medical innovation*

As described in section 5.2.2, since 1989, “payers” of diabetes treatment have increasingly been questioning whether the company’s new medical innovations are worth the premium price charged compared to older generation diabetes treatments. In this case, the primary tension tactic used in the documents is to defend the business model and argue the case that medical innovation is not only good for people, but also society at large. Measured by the number of articles in annual reports and employee magazines that defend the “value” of medical innovation, this is an area of key concern in the company – and, obviously, also among the investors that the annual reports address. In the document, however, the concerns about the value of continued medical innovation are never described as a threat, but as a “hurdle” as in this example:

“Payers around the world are concerned about the cost of healthcare and the pricing of medicines. The requirement to substantiate healthcare purchases in terms of value for money is becoming an additional hurdle for product acceptance over and above clinical trial and regulatory requirements for safety, efficacy and quality” (Annual Report, 2009, p. 5).

In the Annual Report 2014, the “challenging business environment” is described in detail, while it is stated that the company continues to have a “firm belief that significant unmet medical needs remain to be addressed” (Annual Report, 2014, p. 16). In an interview about the business environment, the Chief Operating Officer repeats that the changing environment is a “hurdle”, but not a reason to change the company’s business model:

“Our business model and reason for being is, and will continue to be, developing new and better medical treatments and making them available to the patients who need them. What has changed is that the market access hurdle has become higher .... In response we are strengthening market access capabilities throughout the company, so that we are better able to demonstrate the cost-efficiency of our new

medicines... but these are tactical measures, not a fundamental change of our business model.” (Annual Report, 2014, p. 22).

The lead argument in defence of the R&D based business model is the personal and societal value of innovation. Throughout the documents, it is argued that medical innovation will be good for patients and save money for society in the long run. The argument is that well-regulated diabetes leads to fewer complications later in life (which are costly for society to treat), higher productivity (fewer days with sick-leave) and it gives patients a better quality of life. In an interview in the 2009 report, the CEO is asked how the company defines value for money. In his response, he focuses on improved health outcomes, quality of life and a reduction in health care and personal costs:

“We create value for healthcare patients and payers by offering medicines and devices that significantly improve healthcare outcomes and quality of life or reduce the need for other health services. In diabetes, for example, we have made the case that earlier diagnosis and treatment can significantly reduce the burden on healthcare spending as diabetes, if left untreated, carries significant economic and humanitarian costs in the form of serious late-stage complications” (Annual Report, 2009, p. 6).

In the following, I turn to another way of addressing tensions illustrated through the example of the access to health debate.

### *Dealing with the “dilemma” of access to health*

Where medical innovation is defended, another widely used way of coordinating tensions is to address them as “dilemmas”. When the company writes or speaks of issues as dilemmas, it expresses that it is concerned with people as well as profit, but it also attempts to legitimise the choices that are made. In 2010, for example, the Greek government is in a severe economic crisis and cuts prices on medicines. In response, the company withdraws some of its products from the Greek market. Though not as heavy a media storm as the South Africa case, the company is publicly criticised for putting profits before people. In the Annual Report 2010, the CEO addresses this case as a “major dilemma” and argues for the choice the company made by making profitability a precondition for continuing to “provide and improve treatment”:

“This year, as several governments in Europe mandated price cuts to address their economic problems, we faced dilemmas between operating profitably and continuing to serve people who rely on our products... In a situation like this, there is a major dilemma for a company like ours. The proposed price reductions for patented products would not have

allowed us to continue running a profitable business in Greece. In the long term, if we cannot maintain profitability, we will be unable to continue to provide and improve treatment for the people who most need it” (p. 5).

The Sustainability Report issued in 2001 is called “Dealing with dilemmas” and it addresses seven public concerns that the company was facing at the time. One of them is related to the key tension in the responsibility & accountability register in the 2000s: “How do we improve access to healthcare and make our products affordable, and yet continue to operate a profitable business?” (Sustainability Report, 2001, p. 23). However, access to health is not only addressed as a “dilemma” in the annual reports, it is also dealt with in practice. Following the South African court case in 2001, the company makes a strategy for access to health that in the Annual Report 2001 is presented as a balance between the “protection of intellectual property rights and improved access to essential medicines for patients in developing countries.” (p. 23). The LEAD strategy (figure 5.12) is structured in accordance with the World Health Organisation’s (WHO) framework for access to health and includes, among others, the establishment of the World Diabetes Foundation, a new pricing policy for low income countries and various partnerships and educational programmes:

*Figure 5.12: Access to health strategy 2001: LEAD (Annual Report, 2001, p. 23-25)*

#### **Leadership in Education and Access to Diabetes Care (LEAD)**

1. Call for national diabetes strategies – Through its national diabetes strategies projects, Novo Nordisk is identifying best practices from around the world and encouraging national governments to adopt these in their countries with the company’s support.
2. World Partner Programme - In-depth analysis of the diabetes care situation in Zambia, Tanzania, Bangladesh, Malaysia, El Salvador, Costa Rica. The aim is to collect knowledge that may be used to develop successful strategies for diabetes care in other developing countries.
3. Affordable pricing for the poorest. The new pricing policy stipulates that prices to the 50 poorest countries in the world are not to exceed 20% of average in North America, Europe and Japan.
4. World Diabetes Foundation (WDF) –WDF is an independent and non-profit foundation. This foundation, to which the company will commit DKK 500 million over the next 10 years, will aim to improve diabetes care in the poorest countries through the funding of education, capacity building, distribution and procurement of essential drugs and monitoring.

In the mid-2000s, access to health is no longer only a Third World problem; it has become a global issue as governments all over the world are struggling with increasing health care budgets. Related to the debate discussed above about the value of continued medical innovation, in the responsibility & accountability register, the company's marketing and pricing strategies are debated. A key debate focuses on the company's older generation "human insulin" (a synthetically produced copy of human insulin) and its newer generation "modern insulin" (a synthetically produced insulin which resembles, but is not an exact copy of, human insulin). In 2003, the company adopts a new marketing strategy directed at the higher priced modern insulin. In the employee magazine, the Chief Operating Officer is asked if the new strategy "doesn't focus too much on pricing at the expense of our social and environmental responsibilities?". He defends the strategy by arguing that it is not a question of making money, but a question of consistently upgrading and providing the optimal therapy to as many as possible and, he points out, though the price is higher, it is held at a minimum:

"Actually the diabetes strategy does not focus on pricing – it focuses on bringing the optimal therapy to as many people with diabetes as possible. This can only be done if we focus on the launch and promotion of our insulin analogues. The fact that they cost more than human insulin is a surprise to nobody. We have always worked with minimum selling prices so this is nothing new. In essence, our current diabetes strategy is a continuation of the 80 year insulin strategy of NN: to consistently upgrade our insulin products, the clinical/therapeutic value they bring to people with diabetes, and the value they bring to NN" (People, 2/2003, p. 9).

Other arguments that are often used in the articles in the employee magazine that debate the price of modern insulin is that modern insulin treatment "costs less than a café latte a day" (which always make me wonder if poor people can even afford this – or if they desire café latte for that matter) or that the cost of insulin is only "a relatively small part of the total expenses" of diabetes care (People 5/2006, p. 8).

Another aspect of the discussion is related to the division of responsibility between the company and governments when it comes to ensuring access to diabetes treatment. In some statements, the company expresses understanding that governments face budget restraints, but in other texts, it gives governments part of the blame for people not having access to diabetes treatment. In 2003, in the employee magazine, the Chief Operating Officer points out that the ultimate responsibility for access to the company's latest innovation lies with government:

"Analogues (modern insulin, ed.) cost more than human insulin because they are more costly to develop and manufacture and they give more value to the patient. The decision whether to make analogues available

in any country ultimately rests with its government” (People, 2/2003, p. 9).

In the Annual Report 2006, it is stressed that governments have to be part of the solution too: “In the fight against diabetes, industry can take the lead, offer itself as a partner and be a catalyst for change, but governments must do their part to achieve sustainable impact” (p. 2).

The company’s marketing strategy is debated back and forth from 2003 to 2011 when the company’s updated version of the access to health strategy is launched. If you compare the 2001 strategy with the updated version from 2011, they enact and coordinate the good results and good relations registers in quite different ways. Whereas the 2001 LEAD strategy (figure 5.12) enacted corporate responsibility and leadership and was largely detached from the good results registers (in fact, it cost money and lowered the price of insulin), the updated Access to Health strategy is “linked to the commercial offering” (Annual Report, 2013, p. 26). The product portfolio, including human insulin, is at the core of the new access to health ambition which is to “double the number of people we serve with our products”, increasing the number of people that use the company’s products from 20 million in 2011 to 40 million by 2020. As an example of the effects of the coordination of registers, human insulin is re-valued or re-defined in the context of the access to health strategy from being qualified as a “not so valuable product” in the profitability & market leadership register to being qualified as an essential part of the company’s offering to “health care systems in all parts of the world”:

“Our diabetes care portfolio today includes human insulins as well as modern insulins, which makes it possible for Novo Nordisk to offer life-saving treatments at affordable prices and continue to improve treatment regimes that meet individual needs. Our goal is to develop the best diabetes care portfolio for healthcare systems in all parts of the world” (Annual Report, 2010, p. 5).

In addition, the updated strategy re-values corporate responsibility and leadership from being defined in relation to WHO standards and measured in non-commercial terms to being defined and measured in terms of the company’s commercial offering and market leadership position. Simultaneously, it re-values business success so it is not only measured in terms of sales and market shares, but also in terms of the number of people that benefit from the company’s products. On the face of it, the change in strategy could be interpreted as a sort of down-grading of the good relations registers. I argue, however, that this new way of coordinating the valuing registers around the access to health agenda, allows the continued co-existence of the registers. As an example of the new relation, but continued co-existence of the change leadership and the profitability & market leadership registers, the Annual Report 2013 includes a joint interview on Changing Diabetes

with the Executive Vice President (EVP) of Marketing & Medical Affairs and the Corporate Vice President (CVP) of Corporate Stakeholder Engagement. In this interview, the EVP spells out the hierarchy between the product related role and the Changing Diabetes role:

“Our core focus is to drive innovation and develop even better products to help people achieve the best possible outcome of their treatment.....As a world leader in diabetes care, Novo Nordisk not only produces insulin, but also works to ensure that it reaches the hands of those who need treatment and care worldwide...Our goal is to make a difference to patients, and we know that we can only get part of the way with our products. This is why our Changing Diabetes activities are important” (p. 26).

Where the EVP takes a starting point in the company’s products, the CVP addresses access to health in a human rights perspective and talks about the global challenge and the company’s role as a health system partner. Furthermore, in the same way that the EVP expresses recognition that the company has a responsibility that goes beyond delivering medicine to making them accessible, the CVP expresses recognition that the company’s access to health strategy should be tied to the “commercial offering”:

“Access to health is a human right, and Changing Diabetes is Novo Nordisk’s response to the global diabetes challenge... The challenges of living with diabetes are different from country to country and from person to person, so we partner with governments and local stakeholders to identify the most pressing health needs and ways in which we can achieve the biggest impact...Novo Nordisk has set a long-term global target of providing quality diabetes care products to 40 million people by 2020. It builds on the belief that the way in which the company addresses a global health issue must be linked to its commercial offering; otherwise it is not sustainable in the long term” (ibid).

Thus, the valuing registers, tensions between them and ways of coordinating tensions evolve over time. In the following, I turn to the tension between “the walk and the talk” and the different variants of this debate.

#### **5.4.2. “THE WALK AND THE TALK”**

In the early 1990s, the tension between “the walk and the talk” seems to be provoked by the fact that the new practice of stakeholder relations is associated with work that aims to improve the company’s “image” and “Public Relations”. A



“good image” is one of four guiding stars for the CEO in 1991, but as he explains in the Annual Report 1991, the commitment to responsible business and stakeholder dialogue is not just about looking good:

“We do not make plans, strategies and lists of priorities to get a good image.....It is essential that our surroundings trust our judgment in working with pioneering technologies such as gene technology. Therefore, we have made it our practice to discuss internally, with customers and with collaboration partners how we can make things better...” (p. 10).

From my experience as an employee in Corporate Stakeholder Engagement, the balance between “looking good” and “making a genuine change in the world” is an ongoing and frequent topic of discussion. In 2014, quite exceptionally, the question of “the walk and the talk” is addressed in public as well. In connection with the dismantling of the Corporate Relations unit, the Executive Vice President of Corporate Relations leaves the company which leads a Danish newspaper to question the future of Corporate Social Responsibility in the company. The CEO’s response is: “It is correct that (the former EVP) was a role model in this field and that (the former EVP) was good at talking about this topic (Corporate Social Responsibility, ed.). But moving forward, I want Novo Nordisk’s activities and actions to profile the company in this area. That we are viewed on the basis of what we do.”<sup>12</sup> (Business.dk, 25 November, 2014).

### *Values and value*

Another variant of “the walk and talk” debate is the discussion of whether the company is as genuinely committed to the values that are introduced in the mid-1990s as it is to value in economic terms. To emphasise the genuineness of the management’s commitment to the values-based approach, in the 1990s, the CEO often tells stories in which, in his interpretation, long term relations win over short term results. One example is the story I also mentioned in the introduction to this chapter about the company’s decision to remain in Russia:

“Although we consider performance against hard business objectives and soft values as equally important elements, the big challenge for management these days is to make certain that the everyday pressures of

---

<sup>12</sup> Translated from the Danish: “Det er rigtigt, at (...) har stået som rollemodel på området, og at (...) har været dygtig til at italesætte emnet. Men fremadrettet vil jeg gerne have, at det er Novo Nordisks aktiviteter og gerninger, der profilerer virksomheden på området. At vi bliver set på basis af det, vi gør,” (Berlingske, Business.dk, 25 November 2014).

reaching our operational targets and achieving the necessary earnings do not push our values into the background. We mustn't – as one employee put it: only start talking values when the 15% growth in profit has been achieved. NN has over the last few years established operations in several emerging markets which have now been hit by adverse economic developments. Competitors have chosen to dismantle or withdraw their operations in these markets. NN has decided to stay. This certainly put pressure on our earnings, but NN employees are working hard to compensate for it, and the company is willing to accept this negative economic pressure because we believe that this policy will be for the long-term benefit of our company, we have a responsibility for employees whom we have attracted to work for our company, and towards users and communities whose needs we serve, particularly when times are hard. If we do not have the courage to act this way, in accordance with our values, NN will become just another company, we could lose the commitment of NN people and then our future would look very different. That is why – in these years – we work hard to live our values, while at the same time pursuing a top business performance” (Annual Report, 1998, p. 11).

The tension between the “walk and the talk” is also clearly reflected in debates about change leadership. The Vision from 2000 states that the company “will work actively to promote collaboration between all parties in the health care system in order to achieve our common goals”, but what does this entail?

### *Change leadership*

The valuing registers enact different ideas about the company and its reality and hence different ideas about its role in and contribution to society. These are summarised in table 5.5.

*Table 5.5: The valuing register versions of corporate identity, reality, role and contribution*

<b>Valuing register</b>	<b>Corporate identity and reality</b>	<b>The company's role in and contribution to society</b>
Profitability & market leadership	A business in the pharma industry competing in the market for pharmaceuticals.	<i>Role and contribution:</i>  Discover and develop new treatments for diabetes and make them accessible to people all over the world.

Science & innovation	A scientist and innovator who discovers new and better treatments to meet the unmet needs of people with diabetes.	<i>Role and contribution:</i>  Discover and develop new treatments for diabetes and make them accessible to people all over the world.
Responsibility & accountability	A corporate citizen and member of local communities and global society aiming to do no harm and contribute positively to resolve local and global sustainability challenges.	<i>Role:</i> Contribute positively to society and communities and do no harm.  <i>Contribution:</i> Medicines, jobs and economic development, responsible business standards.
Change leadership	A change catalyst and member of the global health community fighting the diabetes pandemic.	<i>Role:</i> Advocate / campaign for better lives for people with diabetes.  <i>Contribution:</i> Medicines, diabetes expertise, the capacity to convene stakeholders and make things happen.

A close reading of the various corporate texts from 2005 to 2009 indicates that the “change catalyst” role is re-defined text-wise in these years, but perhaps also in other ways as the comparison of the company’s approach to access to health described earlier seemed to suggest. From 2006 to 2008, the annual reports include reports of Changing Diabetes campaigns and advocacy activities, for example, the company’s support of and engagement in the International Diabetes Federation’s campaign for a UN Resolution on diabetes. “We’re proud to be part of this movement”, says the Chairman of the Board of Directors and the CEO in the Annual Report 2006 (p. 2). As Changing Diabetes is also the company’s new corporate brand, including a visual identity, Changing Diabetes is very prominently featured in reports in the period 2005-2008. In the Annual Report 2009, however, the products are brought back into the definition of the company’s role in and contribution to society. In the joint welcome address by the Chairman and the CEO in the annual report it is stated:

“Our products are our greatest contribution to society. They provide significant benefits to patients, tangibly improving people’s health” (p. 2).

Changing Diabetes, however, does not disappear from the documents. On the contrary, it remains quite visible. Still, from 2009 onwards, leading narratives such as CEO interviews in the annual report and the updated Novo Nordisk Way introduce a hierarchy between the different ideas about the company’s role in society that the valuing registers represent. The first priority – “our key contribution” is not to campaign and act as a change catalyst, but “to discover and develop innovative biological medicines and make them accessible to patients throughout the world” as it is phrased in the updated Novo Nordisk Way from 2011. In many ways, comparing the company’s Vision from 2000 (figure 5.3) with the Novo Nordisk Way from 2011 (figure 5.12), it can be argued that the 2011 version goes back to the roots in 1923 and 1989 with a focus on science and innovation. Also, in language, the Novo Nordisk Way from 2011 is less focused on the world outside, the societal challenge and there is no mention of the health care system. This is a text about who we are, where we come from and what we wish to achieve. Still, the company’s responsibility is clearly stated as extending beyond delivering medicines to include a commitment to “making medicines accessible to patients throughout the world”. Further, the text states that the commitment continues to go beyond delivering medicine to “prevent, treat and ultimately cure diabetes”. In this account, however, this commitment is a journey that we started in 1923; it is not a commitment that comes from a call to address a big societal challenge. The switch from talking about “defeating” to “curing” diabetes also brings the agenda “back home” to the science and innovation register. Paraphrased: “We’re a research company, not a campaigner!”

*Figure 5.12: The Novo Nordisk Way, 2011*

*In 1923 our Danish founders began a journey to change diabetes. Today, we are thousands of employees across the world with the passion, the skills and the commitment to continue this journey to prevent, treat and ultimately cure diabetes.*

*Our ambition is to strengthen our leadership in diabetes.*

*We aspire to change possibilities in haemophilia and other serious chronic conditions where we can make a difference.*

*Our key contribution is to discover and develop innovative biological medicines and make them accessible to patients throughout the world.*

*Growing our business and delivering competitive financial results is what allows us to help patients live better lives, offer an attractive return to our shareholders and contribute to our communities.*

*Our business philosophy is one of balancing financial, social and environmental considerations – we call it ‘The Triple Bottom Line’.*

*We are open and honest, ambitious and accountable, and treat everyone with respect.*

*We offer opportunities for our people to realise their potential.*

*We never compromise on quality and business ethics.*

*Every day we must make difficult choices, always keeping in mind what is best for patients, our employees and our shareholders in the long run.*

*It’s the Novo Nordisk Way.*

.....

However, as the following chapters show, the different versions of the company’s role in society are still enacted in practice in different ways in different situations, though the Novo Nordisk Way tries to stipulate what should be the company’s key contribution.

### **5.4.3. THE BUSINESS CASE OF GOOD RELATIONS**

When it comes to the question of the relationship between results and relations and whether there is a contradiction between the two, there are multiple narratives in the documents. Generally, as the above example of the case studies that seek to “demonstrate the value” of TBL activities indicates, the question of the “business case” for TBL and Changing Diabetes receives increasing attention in the 2000s. However, the question is already addressed in the 1990s as the new stakeholder relations and reporting practices are introduced in the company.

The way in which the business case is addressed in documents is summarised in table 5.6. On the one hand, the document analysis indicates that the main narrative is changing from “good relations (values) being something you pursue besides good results (value)” over “good relations being good for business too” to “good relations being a precondition for long-term business success”. On the other hand, the more interesting observation is that the three narratives continue to co-exist and appear from time to time in different texts and contexts. The argument about good relations

being good for long-term business success is already used from the mid-1990s onwards. Similarly, in 2014, the “profitable, but also responsible” narrative from the early 1990s is still used from time to time in the documents, though the most frequently used narrative is that good relations are a precondition for long term business success.

*Table 5.6: Business case narratives, 1989 - 2014*

In focus in documents	1989-1995	1996-1999	2000-2014
Examples of the dominant business case narrative.	<p><b>Profitable, but in a responsible way.</b></p> <p>“The basic idea of our business is that we develop and market products which satisfy real needs and that we go about it in a way which provides benefits to our customers, neighbours, collaboration partners as well as ourselves... Responsibility should always be a key word in everything we do” (Annual Report 1991, p. 10).</p>	<p><b>Being responsible is good for business too.</b></p> <p>“We must listen, learn and respond to the needs and values of our stakeholders. We believe that embracing a stakeholder-led approach will provide us with the best basis for successful business in the future” (Environmental Report, 1996, p. 2).</p> <p>“We see no contradiction between being profitable and being transparent and ethical. On the contrary, we believe it is important to listen to the issues raised by society in order for us to maintain our license to operate and innovate. Embracing new ideas could also open up new opportunities for us”. (Environmental and Social Report, 1999, inside cover/company profile).</p>	<p><b>Good relations are a condition for good results long term.</b></p> <p>“Listening to and letting ourselves be duly guided by those whom we serve and the people we work with is a condition for growing our business and creating long-term value”. (Annual Report, 2001, p. 1).</p> <p>“The TBL principle frames Novo Nordisk’s long-term strategy to be a sustainable business. The aim is to ensure long-term profitability by reducing risks caused by business activities and to enhance the positive contributions to society from the company’s global operations”. (Annual Report, 2014, p. 19).</p>

The lead argument for the business value of good relations used throughout the period is that responsibility and accountability in business is critical in terms of

protecting the company's license to innovate and operate. The "scare story" mentioned above is used as a testimony to the fact that not having good relations with stakeholders may severely damage the business. In other words, having good relations is a way to be able to continue to deliver good results. In an interview with the CEO of the holding company, Novo A/S, about the "soft" and the "hard" side of the businesses in the Novo group he says: "We are not ethical because we are boy scouts, but because we realise that business success is about long-term relationships" (Dialogue, June/July, 2000, p. 6). As mentioned, in the early 1990s, this is talked about as the company's "image". Later, in the mid-1990s, the semantics change to "reputation," while in the 2000s, "trust" becomes a key theme. "Trust" and license to operate are key aspects of the argument for including the TBL principle in Novo Nordisk's Articles of Association (AoA) in 2004:

"Trust is of paramount importance especially for pharmaceutical companies who rely on public acceptance to be able to innovate and to operate.... in order to serve the long-term interest of stakeholders, companies must regard it as a core part of their business to assume a wider responsibility and consider broadly the wide range of factors which may impact its ability to generate returns over long periods of time...To reflect this broader view..at this year's Annual General Meeting, the Board of Directors will ask our shareholders to amend the company's Articles of Association. After this change, the articles will specify that the company, besides its financial purpose, will strive to achieve its objectives in an environmentally and socially responsible way. This is the NN way of doing business." (Annual Report, 2003, p. 3).

There is also another argument used by the CEOs of "Novo Nordisk". The values-based management system is enacted as an important management tool, not least in terms of engaging, attracting and retaining employees. The CEO of Novo Nordisk from 2000 onwards says: "Novo Nordisk's heritage and values are of great importance to our stakeholders and to our ability to attract employees who want to work for a company that prioritises ethical behaviour and social and environmental responsibility – and combine these with attractive sustainable financial returns" (Annual Report, 2009, p. 5).

As mentioned above, there are multiple narratives about the results-relations relationship that circulate in the documents. In the above quotes, good relations are argued to lead to good results, but there are other narratives that claim the reverse causality, i.e. that good results lead to good relations.

*Good results -> good relations*

In 2011, at a time when the “good relations as a precondition for good results in the long term” narrative is otherwise quite dominant, the new Novo Nordisk Way (figure 5.12) enacts a clear hierarchy between good results and good relations: “Growing our business and delivering competitive financial results is what allows us to help patients live better lives, offer an attractive return to shareholders and contribute to our communities”. In specific cases, good results are also presented as the “the only guarantee for long-term success”. One example is this comment about the “unfortunate redundancy” of 300 people in Region Europe in 2011: “We value our people and we did not take this decision lightly. Securing cost-efficiency, however, is the only guarantee for the long-term success of our company” (Annual Report, 2011, p.4).

In other words, in the documents there are multiple co-existing versions of the relationship between results and relations and hence multiple versions of the “business case”. In different texts addressing different issues in different time perspectives, good relations may be enacted as a precondition for good results and good results may be enacted as a precondition for good relations. Irrespective of the correlation, as I also noted in the case of “dilemmas” and the three bottom lines of the TBL, results and relations are enacted as separate dimensions of good business. They are not two sides of the same coin, but co-existing dimensions of good business that can be related in different ways in different situations.

Following on from the discussion about registers that were taken from granted, below I briefly discuss tensions that are not addressed in the documents.

#### **5.4.4. TENSIONS THAT ARE NOT ADDRESSED AS “DILEMMAS”**

I argued above that calling a tension a “dilemma” was a way of expressing concern while allowing a choice to be made. What becomes interesting in this regard is to search for tensions that are not addressed as dilemmas. Interesting examples of this are tensions related to preventing and finding a cure for diabetes. It is well-known that more than 80% cases of type 2 diabetes can be prevented and the Novo Nordisk Way states clearly that the company aspires to not only treat diabetes, but also to prevent and ultimately cure the disease. However, is the company really interested in preventing and curing diabetes which would mean the end of its business? As an employee, I cannot count how many times I have been asked this question or how many times I have discussed it with colleagues in the company because they are being asked it too. I even recently met someone who claimed that the rumour was that “Novo Nordisk” had found a cure for diabetes, but was hiding it! (the exclamation mark serves to signal that I find this claim absolutely ridiculous, but



perhaps that only highlights the trust I personally have in the company). Certainly, preventing and curing diabetes is a pertinent, if not the most pertinent tension related to “Novo Nordisk’s” business seen from the point of view of people outside the company, but when these questions are addressed in the documents I have studied, they are never referred to as “dilemmas”. The “Dealing with Dilemmas” sustainability report from 2001 includes a fairly comprehensive list of dilemmas including access to health, but it does not enact prevention or finding a cure as “dilemmas”.

A typical response to questions concerning prevention and the cure involves listing activities enacted as activities which either target prevention or finding a cure and expressing hope regarding contributing to the prevention and cure of diabetes. When a new programme targeting diabetes in urban areas was launched in 2014, the CEO expressed hope that this programme would “ultimately prevent diabetes” (Annual Report, 2014, p. 35). My standard reply to questions about prevention is to list the activities that we in the company enact as “prevention activities” and hope that this will satisfy the person who asked. Here is an example from the Annual Report 2014 that does the same:

“The company is engaged in the prevention of diabetes through the promotion of healthy living, and is working to improve awareness, diagnosis and treatment of diabetes. An example is the World Diabetes Foundation, which Novo Nordisk founded in 2002 with the objective to support prevention and treatment of diabetes in developing countries. Another example is Cities Changing Diabetes, a global initiative to fight diabetes in cities” (p. 19).

The company’s standard reply to questions about the cure for diabetes is to provide information about the investment in and progress of research activities related to finding a cure and to assure the audience that when a cure is found, it will first and foremost be a day of pride. Here is an example from October 2015 when the Harvard Business Review asked the CEO: “What happens to your business if diabetes is eventually cured?”

“After I became CEO in 2000, I predicted we would cure diabetes in 15 years. We’re still 15 years away. But that is the big goal. I tell my employees, “If we wind up curing diabetes, and it destroys a big part of our business, we can be proud, and you can get a job anywhere. We’ll have worked on the greatest social service of any pharmaceutical company, and that would be a phenomenal thing.”

In summary, in this section, I explored the main tensions found in the document analysis and gave examples of some of the typical ways of coordinating and dealing with these. Of the different rhetorical tactics in use, some were defensive, while

others attempted to embrace tension by addressing them as “dilemmas”. Other tactics were to tell stories, give examples and express hope. The account also demonstrated that there are multiple narratives in circulation when it comes to debates about the company’s leadership role and the relationship between results and relations. The way tensions between the valuing registers are coordinated in these debates may vary significantly from situation to situation. In other words, as the coming chapters illuminate further, the valuing registers in “Novo Nordisk” seem to constitute a wide repertoire for valuing work, including multiple versions of corporate identity, role and reality as well as multiple versions of the business case. Finally, through the case of the company’s strategy on access to health, the section provided an example of how tensions can be dealt with in various ways by detaching valuing registers from each other or by combining or making compromises between them. Further, the example showed that the different ways of coordinating valuing registers and dealing with tensions may influence and redefine both the valuing registers and the concrete entities and actors involved.

## 5.5. SUMMARY

In the documents “good business” is discussed in four valuing registers that alone – with ranges of good and bad within each register – and in combination offer multiple potential performances of good business. As seen in table 5.7, the registers are associated with different measures of good and bad and different commitments, structures, systems and ways of working that enact and support them. The analysis also showed that though these associations can both strengthen and weaken valuing registers, the registers are not restricted to, or stable functions of these associations. Rather, the associations between the registers and organisational structures and systems are actively worked with and changed. Furthermore, the table highlights a key point about valuing in this research setting, which is elaborated in the analysis that follows, i.e. that valuing is a relational activity. First of all, good business is not good in its own right. It is enacted as good for somebody. The historic analysis showed that in parallel with the company’s growth and globalisation, changes in the company’s environment and public concerns and debates influenced the valuing registers and the relation between them and stimulated the introduction of a fourth register. Second, the valuing registers are associated with different versions of corporate identity and reality. “Novo Nordisk” is multiple and so is the reality it is a part of and, as I show in the following chapter, these different versions of identity and reality are actively “played” and worked with in valuing work.

Table 5.7: Valuing register summary

	<b>Enacted and supported through</b>	<b>Measures of good and bad</b>	<b>Good for..</b>	<b>Corporate identity and reality</b>	<b>The “core business” diabetes is a..</b>
Profitability & market leadership	Production and sales organisation (operations).  Performance management.  Quarterly results reports.	Sales, profit and market shares (value and volume).	Share-holders.	A business in the pharma industry competing in the market for pharmaceuticals.	Market.
Science & innovation	R&D organisation and pipeline.  Performance management.	New discoveries, Pipeline progress, NPA approvals and decisions about reimbursement.	Share-holders and patients.	A scientist and innovator who discovers new and better treatments to meet the unmet needs of people with diabetes.	Disease to be defeated through better treatments and a cure.
Responsibility & accountability	Values based management and TBL commitment.  Stakeholder management, responsible business programmes and integrated reporting.	Stakeholder support and recognition.  Position in sustainability rankings.	Stake-holders and community.	A corporate citizen aiming to do no harm and contribute positively to resolve local and global sustainability challenges.	Societal and personal challenge
Change leadership	Changing Diabetes brand and commitment.  Corporate Branding and Public Affairs	Influence, “social impact” and “business impact”.	Patients and the health care system.	A change catalyst and member of the global health community fighting the diabetes pandemic.	Societal and personal challenge

The analysis of valuing registers also provided insight into different forms of coordination that attempt to make different versions of “Novo Nordisk” hang together, for example, the “Novo Nordisk Way” and the Triple Bottom Line commitment and the tendency of “saming” the way good results and good relations are worked with, while still keeping results and relations apart. Further, it described how tensions between valuing registers are dealt with in corporate documents through different narratives and rhetorical tactics and through different ways of relating valuing registers exemplified by a comparison of the company’s access to health strategies from 2002 and 2011.

In a critical perspective, the tendency of “saming while keeping apart” and the apparent lack of a consistent way of relating “good results” and “good relations” might be interpreted as a sign that “good relations” are less important than “good results”. Does the analysis not show that, at the end of the day, when times are hard and when profits or patent rights are under pressure, good results always win over relations? It does, but what the analysis also shows is that this is one version of the relationship between results and relations. Arguably, it is an important version, but importantly it is not the only version. As the example of the company’s approach to access to health in 2002 showed, in other cases and situations, the relationship may be different. The analysis also indicated that, despite the company’s efforts to defend the business model, the pressure on prices and the R&D based business model is persistent. In this sense, “good relations” are becoming increasingly important, which is reflected by the fact that an increasing number of employees are working to strengthen the company’s relations. Importantly, however, in a valuing perspective, the key point is not who wins or which register is more important than the other. The key point is the co-existence of valuing registers. “Good business” comes in multiple versions and performing “good business” is a precarious activity of relating the valuing registers in different ways in different situations. Further, as the following chapters on the valuing of “social partnerships” show, as the registers include multiple tensions and ranges of good and bad, in some cases, it is not so much a question of performing business activities as good business as it is a question of performing them as good enough or worthwhile doing.

# CHAPTER 6. PARTNERSHIPS IN PRACTICE

In this chapter, I explore the social partnership phenomenon in the context of “Novo Nordisk” at different times and at different sites. In other words, I study “social partnerships” in practice as opposed to “social partnerships” in theory. More precisely, what I examine in this chapter is how the phenomenon of “corporations committing to work with organisations from a different economic sector (public or non-profit) to solve a problem that affects them all” (Waddock, 1988, p. 18) plays out when the “corporation committing” is “Novo Nordisk”.

Following on from chapter 5 and serving as an introduction to the analysis of valuing work in chapter 7, the purpose of the chapter is to provide insight into how the partnership phenomenon – as the “entity” being valued in this case – is enacted and worked with in practice. The analysis shows that in this particular research setting “social partnership” is not a distinct way of working or a distinct organisational form, but rather it is enacted as a way of working to achieve “good relations” and in practice it covers a variety of “projects”, “programmes” and “initiatives” and involves many different types of work.

The first section briefly outlines the history of “social partnerships” in “Novo Nordisk” and shows how partnerships were first introduced as a way of working with stakeholder engagement and later also became a way of conducting corporate branding and public affairs activities. Second, I take you to Corporate Stakeholder Engagement (CSE), which is the business area currently in charge of most of the global health, diabetes and environmental partnerships within which “Novo Nordisk” is engaged. Based on the accounts of social partnership managers in CSE, I argue that “social partnerships” are sites of tension between valuing registers and between practical and idealised categorisations and qualifications of partnerships. In the third and final section, the Sustainable Communities partnership site is presented. Through a logbook account, I tell the story of how this particular “social partnership” idea emerged and evolved in practice and how the actors involved, myself included, tried to perform it as worthwhile. What this story highlights is that valuing “social partnerships” in “Novo Nordisk” is not only a question of dealing with tensions, but also doubt and uncertainty.

## 6.1. THE HISTORY OF PARTNERSHIPS

As described in chapter 5, by the early 2000s, activities related to responding to public concerns about how the company makes products and money have come to be referred to as “stakeholder engagement”. During the 1990s, stakeholder engagement activities develop from dialogue meetings to also include more formalised and longer-term collaboration and partnerships: “Increasingly we move from dialogue to partnerships built on mutual respect and trust” (Sustainability Report 2002, p. 16).

By 2000, the main “forms of engagement” are:

- “Formal engagement – Based on legislation and local and national regulations we engage with authorities in order to ensure compliance with regulations and other demands.
- Dialogue – Voluntary and proactive dialogue with individuals or stakeholder groups, such as neighbours of a production site, or other companies and experts.
- Partnerships – A deeper relationship in which we develop our thinking and practices in conjunction with key stakeholders. We work together on a common project, goal or task to produce a result” (Novo Group, Environmental and Social Report, 2000, p. 17).

Examples of “partnerships” listed in the Environmental and Social Report for 2000 is a partnership with The Danish Society for the Conservation of Nature on production of educational material on gene technology; a partnership with the World Wide Fund for Nature (WWF) involving “grants to support Danish research on biological diversity and funds to help young Chinese researchers and NGOs investigate eco-systems”. Finally, a partnership with the Danish Animal Welfare Society to improve welfare of experimental animals is included on the list (p. 17-18).

*Partnerships as “the only way” to resolve sustainable development challenges*

In 2002, the UN World Summit on Sustainable Development in Johannesburg moves partnership higher up the global agenda as a key instrument in achieving global sustainable development. In the lead up to the summit, “Novo Nordisk” joins the Nordic Partnership as a member and one of 4 sponsors. The Nordic Partnership is an initiative by the WWF and Monday Morning (a Danish media and think tank) aiming to develop new business models for sustainable development to be presented at the World Summit in Johannesburg. On this occasion, the CEO talks

about the “daunting task” of sustainable development and collaboration across sectors as “the only way to” solve it:

"The UN World Summit for Sustainable Development in Johannesburg in 2002 is by many expected to be a landmark for sustainable development as was the Rio Conference ten years ago. It is, therefore, important to demonstrate evidence of progress and why partnerships are key in this process. We are faced with a daunting task that can only be solved in cooperation between politicians, NGOs, business and other stakeholders." (Novo Nordisk, press release, 26 September, 2001).

In 2004, Novo Nordisk joins the WWF Climate Savers programme and starts negotiating a target for the reduction of CO<sub>2</sub> emissions from the company's production. In 2006, the agreed target – a 10% reduction in emissions from 2004 to 2014 – is publicly announced. On this occasion, the partnership manager also talks about partnership as an evolution of the company's stakeholder engagement work: “NN has a long tradition of consulting NGOs about critical global issues. The WWF agreement goes one step further. This is a genuine partnership where together we have drafted a target and pledged publicly to meet it” (People, 1/2006, p. 5).

*“Novo Nordisk” as a health care system partner*

The collaborative approach is not only used within the field of sustainable development. In chapter 5, I described how the WHO, NGOs and other actors in the global health community started calling for action on global health issues such as access to health and more specifically the rise in the number of people with diabetes. In “Novo Nordisk”, this was one of the developments that spurred the introduction of the change leadership register and with this the change catalyst role and new ways of working to support this role. As described in chapter 5, the company's vision from 2000 enacts the company as a promoter of collaboration in the health care system.

As with sustainable development, the company promotes collaboration as a way forward in the “fight against the growing burden” of diabetes. Calling for collaboration and partnership and enacting diabetes as a joint health challenge enact the company as a change leader and partner in the health care system. Here is an example:

“To fight diabetes requires much more than the most innovative drugs. We must take a broad integrated approach covering all the parties involved. We must create new ways to organise care by developing alliances and working in partnership towards a common and urgent goal. ..NN is ready to act on this challenge” (Annual Report, 1999, p. 12-13).

In 2001, the company launches the World Partner Programme as part of its strategy for access to health described in chapter 5. In 2002, the company establishes the Oxford Centre for Diabetes, Endocrinology and Metabolism (OCDEM) together with the University of Oxford and the National Health Service in the UK. On this occasion, the CEO advocates breaking down the “false barriers” between the different sectors of society:

“This (OCDEM, ed.) is a holistic approach to defeating diabetes because we cannot do it alone. We must break down the false barriers between industry, government and academia to learn to work together when the stakes are this high.” (Sustainability Report, 2002, p. 23).

In 2003, the company partners with the WHO and Oxford University to establish the Oxford Vision 2020 (which in 2005 changes name to the Oxford Health Alliance, OXHA). The Oxford Vision is launched as a “public-private partnership” with the aim to “build consensus and develop recommendations for a new and comprehensive global approach to preventing and controlling chronic diseases” (Sustainability Report, 2003, p. 9).

Within health, the partnership approach is also a response to a growing distrust in the pharmaceutical industry. In the Annual Report 2004, the head of Corporate Relations refers to partnerships as a way of addressing trust issues: “If all the different groups involved in the healthcare sector are to trust each other, a partnership concept is essential” (p. 18).

Following the introduction of the new corporate brand, Changing Diabetes, in 2005 and the establishment of a corporate public affairs function in 2006, a series of Changing Diabetes partnerships are initiated which are all elaborated in the following section together with examples of non-branded diabetes partnerships. The latest example is the “Cities Changing Diabetes” programme, which was also mentioned in chapter 5 under the discussion about prevention. When launched in 2014, Cities Changing Diabetes is introduced as “a partnership programme to fight the urban diabetes challenge” (Press Release, 28 March, 2014).

In summary, the introduction of the practice of partnering on environmental and health issues in the company is accounted for as a reflection of two developments. First, the accounts echo the growing consensus in the global sustainability and health debates that “daunting” societal challenges cannot be solved by one sector of society alone. Second, partnering is described as a response to increasing distrust in the pharmaceutical industry. In 2009, the CEO repeats the message mentioned above about distrust as a driver of collaboration:

“Another issue we must address is the fundamental distrust society has in healthcare companies. Our sector needs to build stronger relationships



with governments, regulators and people who need treatment and care... I anticipate our engagement with stakeholders will intensify and hope this will increase understanding of what we are trying to accomplish” (Annual Report, 2009, p. 6).

In other words, the accounts of the partnership rationale presented here bear much resemblance to the social issues and resource dependence perspectives presented in chapter 2, i.e. that “social partnerships” can be seen as societal problem solving mechanisms and as a strategic way for a company to respond to pressures in its environment (Waddock, 1989) and “enhance legitimacy” (Selsky & Parker, 2005).

In the following section, I take a closer look at how partnerships are referred to and worked with in the business unit that initiates and manages the majority of “Novo Nordisk’s” engagements in sustainability and health partnerships.

## **6.2. PARTNERSHIPS IN CORPORATE STAKEHOLDER ENGAGEMENT**

As mentioned, CSE is a corporate staff function that heads up “Novo Nordisk’s” activities within corporate sustainability (TBL), public affairs and what was previously referred to as “access to health” in the company, but which is now more frequently referred to as “global health”. Up until 2013, the unit was also in charge of corporate branding and in the early 2010s it also hosted a social innovation team.

Based on my interviews with partnership managers in CSE, the following shows how partnerships are defined in CSE and how partnership managers account for the rationales for partnering.

### **6.2.1. THE DEFINITION**

The word “partnership” is used frequently in “Novo Nordisk” in different meanings and contexts. In the first issue of the new Employee magazine, *People*, published just after the demerger in 2000, “partnership” is the first word in the CEO editorial: “Partnership is a popular word these days. For some companies, it means joint ventures, for others it means customer focus. For us at NN, it means we are a company of people, working with people – for the benefit of people.” (*People*, no. 1/2000, p. 2). But that is just one meaning. So, how do partnership managers in CSE define partnerships?

When I introduced my research topic to the management of CSE, they suggested I include the activities in table 6.1 in the interview survey <sup>13</sup>. As can be seen from table 6.1, all activities are carried out in partnership, but few of them are named partnerships in public presentations.

*Table 6.1: Public presentations of CSE partnership activities*

Team	Activity Name	Activity description	Description of the partnership element
<b>Global Public Affairs</b>	Cities Changing Diabetes	<p>“Cities Changing Diabetes is a commitment to pushing for urgent action against urban diabetes on a global scale. The aim is to map its extent, share solutions and tackle the growing challenge of diabetes in the world’s great cities, because we believe that when businesses, city leaders and planners, healthcare professionals, academics, and community leaders pull together, we can transform our cities into healthier places to live, work and play – and bring down the risk of urban diabetes”.</p> <p><a href="http://citieschangingdiabetes.com/about">http://citieschangingdiabetes.com/about</a>, 26 January 2016.</p>	<p>“Cities Changing Diabetes is a first-of-its-kind partnership platform for cross-disciplinary, cross-sector collaboration.</p> <p>Global partners: Novo Nordisk, UCL (University college London) Steno Diabetes Center.</p> <p>Local partners: In each of the five cities (Houston, Copenhagen, Tianjin, Shanghai and Mexico City), there is a range of local partners, including the city government/administration. In Houston for example the partners are: Houston Department of Health &amp; Human Services, University of Texas School of Public Health, American Diabetes Association, Houston, Clinton Health Matters Initiative and the Harris County Healthcare Alliance”.</p> <p><a href="http://citieschangingdiabetes.com/about">http://citieschangingdiabetes.com/about</a>, 26 January 2016.</p> <p><a href="http://citieschangingdiabetes.com/cities/houston/">http://citieschangingdiabetes.com/cities/houston/</a>, 26 January, 2016.</p>

<sup>13</sup> At the time of the interviews in August-September 2014, the CSE teams were called: Global Public Affairs, Changing Diabetes Partnerships (the team working with global health), and Corporate Sustainability. The innovation office had been dismantled at the time, but some of the partnerships initiated by the innovation office were still running and are, therefore, included in the interview survey.

	Diabetes Leadership Forums	<p>“The Changing Diabetes® Leadership Initiative is part of Novo Nordisk’s commitment to facilitating a worldwide response to the escalating diabetes pandemic.</p> <p>The Changing Diabetes® Leadership Forums gather policy-makers, government officials, international organisations, patient organisations, healthcare professionals, people with diabetes, NGOs and media to discuss solutions to the burden of diabetes.</p> <p>By mobilising relevant stakeholder groups, the Forums work to drive change and move diabetes up the public health agenda, while encouraging commitment to national targets for improved diabetes prevention, early detection and care.</p> <p>From March 2007 to March 2014, Leadership Forums have taken place in more than 35 countries worldwide”.</p> <p><a href="http://www.novonordisk.com/about-novo-nordisk/changing-diabetes/cd_programmes/leadership-forum.html">http://www.novonordisk.com/about-novo-nordisk/changing-diabetes/cd_programmes/leadership-forum.html</a>, 26 January, 2016.</p>	<p>In public presentations, the forums are not presented as partnerships but as events with hosts and supporters. Here is one example:</p> <p>“The European Diabetes Leadership Forum took place on 25 and 26 April 2012 in Copenhagen, Denmark. The Forum brought together more than 700 diabetes experts, decision- and policy-makers as well as representatives from NGOs, patient associations, academia and industry, from over 55 countries. The Forum was hosted by the Organisation for Economic Cooperation and Development (OECD) and the Danish Diabetes Association. It was held under the auspices of the Danish Presidency of the Council of the European Union and the Danish Ministry of Health, and supported by Novo Nordisk”.</p> <p><a href="http://www.novonordisk.com/about-novo-nordisk/changing-diabetes/cd_programmes/leadership-forum.html">http://www.novonordisk.com/about-novo-nordisk/changing-diabetes/cd_programmes/leadership-forum.html</a>, 26 January, 2016.</p>
<b>Changing Diabetes Partnerships</b>	Changing Diabetes in Children	<p>“In December 2009, Novo Nordisk launched the Changing Diabetes® in Children programme to change the future of children with type 1 diabetes in developing countries. The objective is to improve delivery of care to children with type 1 diabetes in resource-poor settings. Ambition: Reach 10,000 children”.</p>	<p>“The programme is run as a private-public partnership between Novo Nordisk, Roche, the International Society for Paediatric and Adolescent Diabetes (ISPAD) and the World Diabetes Foundation (WDF). In each country (Cameroon, Democratic Republic of Congo, Ethiopia, Guinea, Kenya, Tanzania and Uganda, Bangladesh and India), the programme is implemented by a group of local partners with the national Ministry of</p>

		<p><i>10,000+ Children 2009-2014: An Account of the Changing Diabetes in Children Programme, Novo Nordisk, 2014.</i></p>	<p>Health playing a key role to ensure that the programme is anchored within the existing healthcare system.”</p> <p><i>10,000+ Children 2009-2014: An Account of the Changing Diabetes in Children Programme, Novo Nordisk, 2014.</i></p>
	Changing Diabetes in Pregnancy	<p>“The Changing Diabetes® in Pregnancy programme is a Novo Nordisk initiative that aims to increase access to screening for gestational diabetes, and care and lifestyle education for pregnant women with diabetes in low- and middle-income countries”.</p> <p><a href="http://video.novonordisk.com/video/9009465/changing-diabetes-in-pregnancy">http://video.novonordisk.com/video/9009465/changing-diabetes-in-pregnancy</a> 26 January, 2016</p>	<p>“We have set up local public-private partnerships in India, Colombia and Nicaragua with an ambition to reach 60,000 pregnant women. We work with local health authorities and other partners to train healthcare professionals, build capacity in the health system for gestational diabetes screening and management, and test innovative ways to effect lifestyle change. The hope is to identify cost-effective ways of reducing the burden of diabetes.”</p> <p><i>Access to Health: Our Approach, Novo Nordisk, 2011, p. 25</i></p>
	IDF	<p>According to IDF’s own website, the IDF is “an umbrella organization of over 230 national diabetes associations in 170 countries and territories. It represents the interests of the growing number of people with diabetes and those at risk”.</p> <p><a href="http://www.idf.org/who-we-are">www.idf.org/who-we-are</a>, 26 January, 2016</p>	<p>The collaboration between IDF and Novo Nordisk is not mentioned in corporate material or on <a href="http://novonordisk.com">novonordisk.com</a> except for in the transparency &amp; disclosure section on which lists IDF as one of the international patient groups that the company collaborates with <a href="http://www.novonordisk.com/sustainability/performance/Transparency-and-disclosure.html">http://www.novonordisk.com/sustainability/performance/Transparency-and-disclosure.html</a>, 27 January, 2016</p> <p>On IDF’s website Novo Nordisk is listed as one of its “global partners”. According to the website, IDF Global Partners are “engaged in long-term multi-faceted partnerships with the Federation. They support IDF’s core activities and specific tailored programmes focusing on diabetes awareness, prevention, education and</p>

			more”.  <a href="http://www.idf.org/partners/meet-our-partners">http://www.idf.org/partners/meet-our-partners</a> , 26 January, 2016
	The NCD Alliance	<p>According to the alliance website, the NCD Alliance was “founded by four international NGO federations representing the four main NCDs – cardiovascular disease, diabetes, cancer, and chronic respiratory disease. Together with other major international NGO partners, the NCD Alliance unites a network of over 2,000 civil society organizations in more than 170 countries. The mission of the NCD Alliance is to combat the NCD epidemic by putting health at the centre of all policies”.</p> <p><a href="http://www.ncdalliance.org/who-we-are">http://www.ncdalliance.org/who-we-are</a>, 27 January, 2016</p>	<p>On the alliance’s website, Novo Nordisk is listed as one of its supporters: “The NCD Alliance Supporters Consultation Group (SCG) is comprised of NGOs, foundations and private sector partners that have made financial contributions to the work of the Alliance. These supporters share a common interest in improving the lives of people living with NCDs and tackling their risk factors. In addition to their financial support, the SCG identifies new opportunities to advance the NCD Agenda through multisectoral engagement, monitoring progress, and providing strategic advice on our global campaigns”.</p> <p><a href="http://ncdalliance.org/supportersgroup">http://ncdalliance.org/supportersgroup</a>, 27 January, 2016</p> <p>The collaboration is not mentioned on novonordisk.com.</p>
	40by20 partnerships	<p>“The purpose of the Novo Nordisk Strategy for Global Access to Diabetes Care is to:</p> <ul style="list-style-type: none"> <li>• contribute to breaking the Rule of Halves by overcoming the barriers that inhibit access to care, in order to</li> <li>• reach more people with quality treatments, and</li> <li>• enable more people with diabetes to live better lives.</li> </ul> <p>We have set a new long-term target of reaching 40 million people with diabetes with our diabetes care products by 2020 –</p>	<p>40by20 partnerships are a group of partnerships initiated to address one of the “three priority areas for scaled up efforts from corporate level:</p> <ol style="list-style-type: none"> <li>1. Reaching the base of the pyramid</li> <li>2. Contributing to global education of healthcare professionals</li> <li>3. Promoting health for the next generation”.</li> </ol> <p><i>Strategy for Global Access to Diabetes Care, Novo Nordisk, 2013, p. 3</i></p>

		<p>also referred to as the Changing Diabetes® 40by20 ambition”.</p> <p><i>Strategy for Global Access to Diabetes Care, Novo Nordisk, 2013, p. 3</i></p>	
<b>Corporate Sustainability</b>	Climate Savers (WWF)	<p>“In January 2006, Novo Nordisk became the 10th member of the WWF Climate Savers Programme. The Climate Savers Programme<sup>1</sup> serves to demonstrate that companies can make deep cuts in emissions while growing their business. With the agreement between WWF and Novo Nordisk, we made a public commitment to reduce CO2 emissions from global production by an absolute 10% from 2004 to 2014”.</p> <p><i>Facing up to the climate change challenge, Blueprint for Change no 1, April 2010, Novo Nordisk, p. 3</i></p>	<p>“Recognising the complexity and cross-cutting nature of climate change, partnerships have been at the core of our strategic approach”.</p> <p><i>Facing up to the climate change challenge, Blueprint for Change no 1, April 2010, Novo Nordisk, p. 3</i></p>
	DONG Energy	<p>“In May 2007, Novo Nordisk signed a partnership agreement with the Danish energy supplier DONG Energy. In this first-of-its-kind partnership we pledged to convert energy savings realised at our Danish production sites into the purchase of renewable energy certificates from a new wind farm DONG Energy was planning to build in the North Sea”.</p> <p><a href="http://www.novonordisk.com/sustainability/actions/Environment-Climate/Greenhouse-gasses.html">http://www.novonordisk.com/sustainability/actions/Environment-Climate/Greenhouse-gasses.html</a>, 28 January, 2016</p>	
<b>Innovation Office</b>	Jom Mama	<p>“Today, Novo Nordisk entered into a public private partnership with the Malaysian Ministry of Health to prevent diabetes through a health promotion programme targeting young</p>	<p>“Together with Novo Nordisk, the implementation of the programme will be led by the Ministry of Health in collaboration with Steno Diabetes Center Denmark, University of Southampton UK, and the University of</p>

		<p>couples... The Jom Mama programme will be designed in co-creation with healthcare providers and community leaders to meet the needs of young couples in improving their health before pregnancy. The co-created intervention aims to increase healthy literacy, encourage adoption of healthy choices and provide support to improve physical activity”.</p> <p>“The programme will initially run as a three-year study to evaluate both qualitative and quantitative outcomes for effectiveness in reducing exposure to diabetes risk factors such as obesity.”</p> <p><i>Novo Nordisk sustainability news story 14 November 2012 distributed by 3bl media:</i>  <a href="http://3blmedia.com/News/Health/Novo-Nordisk-Partners-Ministry-Health-Prevent-Diabetes#sthash.LR4DGE4a.dpuf">http://3blmedia.com/News/Health/Novo-Nordisk-Partners-Ministry-Health-Prevent-Diabetes#sthash.LR4DGE4a.dpuf</a></p>	<p>Witwatersrand Johannesburg”.</p> <p><i>Novo Nordisk sustainability news story 14 November 2012 distributed by 3bl media:</i>  <a href="http://3blmedia.com/News/Health/Novo-Nordisk-Partners-Ministry-Health-Prevent-Diabetes#sthash.LR4DGE4a.dpuf">http://3blmedia.com/News/Health/Novo-Nordisk-Partners-Ministry-Health-Prevent-Diabetes#sthash.LR4DGE4a.dpuf</a></p>
I3		<p>“The i3-diabetes programme is a unique collaboration between King's Health Partners and Novo Nordisk.</p> <p>The programme has a clear ambition - to create a new, world-class model of patient-centred, specialist diabetes care that will meet the changing needs of people with diabetes served by King's Health Partners”.</p> <p><a href="http://www.novonordisk.co.uk/about-novo-nordisk/changing-diabetes-new/changing-diabetes-through-collaboration.html">http://www.novonordisk.co.uk/about-novo-nordisk/changing-diabetes-new/changing-diabetes-through-collaboration.html</a>, 28 January, 2016</p>	<p>“King's Health Partners is one of only six Academic Health Sciences Centres in England. It is a partnership between one of the world's top 20 universities, King's College London, with three internationally-renowned NHS foundation trusts - Guy's and St Thomas', King's College Hospital and South London and Maudsley”.</p> <p><a href="http://www.novonordisk.co.uk/about-novo-nordisk/changing-diabetes-new/changing-diabetes-through-collaboration.html">http://www.novonordisk.co.uk/about-novo-nordisk/changing-diabetes-new/changing-diabetes-through-collaboration.html</a> 28 January, 2016</p>
	Base of the	<p>“The Base of the Pyramid project is an initiative by Novo Nordisk</p>	<p>“In Kenya, Novo Nordisk has engaged in a public-private partnership to build</p>

	Pyramid	<p>to facilitate access to diabetes care for the working poor in low- and middle-income countries. The purpose of the Base of the Pyramid project is to create shared value by developing scalable, sustainable and profitable solutions that increase access to diabetes care for the working poor living in low- and middle-income countries as well as provide value to the business of Novo Nordisk.”</p> <p><a href="http://www.novonordisk.com/sustainability/actions/Access-to-care/BoP-Reaching-the-base-of-the-pyramid.html">http://www.novonordisk.com/sustainability/actions/Access-to-care/BoP-Reaching-the-base-of-the-pyramid.html</a>, 28 January, 2016</p>	<p>capacity and ensure supply through well-established faith-based organisations in 28 of Kenya’s 47 counties to date. Furthermore, the project aims to limit price mark-ups and to ultimately control the price that the patient has to pay at the pharmacy. Novo Nordisk signed a memorandum of understanding with every link in the distribution chain, making it difficult for distributors and actors in the value chain to exceed the agreed price.... In India, the Base of the Pyramid project works with public healthcare workers (ASHAs) to deliver diabetes care and diagnosis at the doorstep of patients in rural and semi-rural areas. This effort is to be integrated with ten primary care diabetes centres in the state of Bihar in the course of 2014”.</p> <p><i>Reaching the Base of the Pyramid, project background, Novo Nordisk, 2014</i></p>
--	---------	--	---

As the list indicates, the partnership label is attached to a variety of activities that are “social” in the sense that they address issues of public health or environmental degradation and “partnerships” in the sense that the company is not working alone to carry out these activities, i.e. they involve some sort of interaction with other organisations. Otherwise, the activities on the list have relatively little in common. Some are branded Changing Diabetes, some are not. Within the category of branded partnerships, there is also a variety of activities ranging from 8 hour “forums” arranged by the public affairs team to programmes that involve building health care clinics in Africa managed by the Changing Diabetes partnerships team. Interestingly, although the management team identified these activities as partnerships, in the company’s public presentations, they are described as “programmes”, “projects” or “initiatives” – or as in the case of the International Diabetes Federation (IDF) “donations”. Exceptions are Cities Changing Diabetes which is both presented as a “commitment” and a “partnership programme”, i3, which is presented as a “collaboration” and finally – the only example of an activity that is called a “partnership” in the public presentation – the partnership with the energy company DONG Energy.



Hence, the partnership label is not used to categorise or describe what these activities are, or are about, it is used to describe *how* they are carried out. The “programmes”, “projects” or “initiatives” on the list are “run as” or “implemented as” or through “public-private” partnerships or “partnership set-ups”. Therefore, in this case of practice, “social partnership” is a way of conducting the different types of relations activities by the different departments within CSE, i.e. public affairs, corporate sustainability and global health work. Further, people referred to as “partnership managers” in this chapter are the people who manage the activities on the list on a day-to-day basis. The title “partnership manager” is not unfamiliar to them, but it is not their real job title. When they are out in the field as the company’s representative in the partnerships, they may present themselves as the partnership manager, but on their business cards is printed one of the standard job titles used in CSE, which at the time of the interviews were: “(Senior) Project Manager”, “Programme Manager”, “Public Affairs Manager”, “Programme Director”, “Director”, “Project Manager”, “Team Leader”. The “Vice Presidents” and the “Corporate Vice President” are not considered “partnership managers” though they have overall responsibility for activities. For some of the interviewees, the partnership management job is their key function, but for many it is one job task amongst a range of others.

In sum, a “social partnership” is not a unique activity, but a way of conducting different types of relations work in “Novo Nordisk”. However, when you talk to partnership managers, it transpires that they also have another way of defining partnerships which emphasises the quality of the relationship.

#### *A “true” partnership*

In interviews, partnership managers often refer to an ideal definition of a partnership which they describe as a “true” partnership, a “real” partnership, a “genuine” partnership or the “textbook” example of a partnership. According to one partnership manager:

“In a true partnership you formulate the goal together. You join forces because you wish to develop something. You are equal when it comes to decisions and you publicly announce the results together. You publicly refer to each other as partners. When I think of the activities that I have been involved with here in Novo Nordisk, none of these really meet all these criteria”.

In CSE, it is a distinct feature of “true” partnerships that they are “non-commercial” or “not product related”. In the interviews, “bad” or less worthy examples of partnerships are referred to as “social marketing” or other types of commercial collaborations that – in a partnership wrapping – promote products. The partnership ideal that circulates among partnership managers in CSE is influenced by how the

company's partners and leading actors in the global sustainability and health communities in general characterise or standardise social partnership. In connection with the launch of Cities Changing Diabetes, a task force developed a set of partnership principles with the aim of guiding partnership activities in the Cities Changing Diabetes programme and in CSE in general. According to these principles, partnerships should be based on shared objectives, shared values, complementary competencies, equality, trust, respect, open dialogue, clear delineation of responsibilities and roles, transparency, mutual accountability and finally partnerships should advance joint learning. The inspiration for these principles was taken from partnership guidance issued by the United Nations, OECD, Oxfam and the European Federation of Pharmaceutical Industries and Associations (EFPIA).

Another dimension of the partnership ideal is the level of ambition in terms of societal change and social impact. For example, CSE staff was involved in the development of the notion of "Transformational Partnership" launched by the United Nations Global Compact in 2011. "Transformational Partnerships" are defined as "partnerships that have the capacity to transform the ways in which the UN, civil society, governments, and other stakeholders work with business to secure sustained and rapid realization of development goals" (UN Global Compact, 2011, p. 6). In line with the idea of a collaboration continuum (Austin, 2000) presented in chapter 2, the idea of a transformational partnership is contrasted to a "philanthropic partnership" which is "discrete efforts with an emphasis on public relations and financial contributions"; opportunistic partnerships which are "programs or action that brings short-term economic gain and may leverage core competencies but in an ad hoc manner" and strategic partnership that "uses core competencies to develop markets, products, and services deliberately, but is often a two party agreement and set within an existing system" (UN Global Compact, 2011, p. 9).

The co-existence of a practical definition of a partnership as a way of working and an ideal definition of a partnership as a highly collaborative and change oriented endeavour is described as a point of tension by the partnership managers. In particular, four features of the partnerships included in this study are considered tricky as they challenge the ideal definition of partnerships as an equal collaboration where equal partners come together to resolve an issue. In 10 of the 14 examples included in the study, "Novo Nordisk" has taken the initiative in the partnership in the sense that it is "Novo Nordisk" that reaches out to the partners in question. Moreover, "Novo Nordisk" is a leading financial funder in all but one of the examples (the Climate Savers partnership which did not involve a membership fee). In 6 of the examples, and all of the changing diabetes initiatives, it is a "Novo Nordisk" employee who leads the partnership on behalf of all partners. Finally, all of the examples build on or combine existing relations between "Novo Nordisk"

and the partners and as such are not new constellations where partners start a fresh because there is a new problem that connects them.

In the accounts of the ideal partnership, there is a lot of discussion about what an ideal partnership is not. It is not a membership, it is not a sponsorship, it is not a consultancy or a supplier agreement. In practice, however, several of the activities and relations categorised as partnerships in CSE are *also* memberships, sponsorships or supplier agreements. In several of the partnerships on the list, research agreements and consultancy agreements are involved. The partnership with IDF can also be categorised as a membership and a sponsorship. Another example is that one of the “lead partners” in Cities Changing Diabetes – University College London – is working on a research agreement and being paid by “Novo Nordisk” for the research it carries out about diabetes in cities. As one interviewee puts it when discussing whether a partnership is distinct from other types of business relations; “in practice, it’s a fine line”. The counter argument used is that the way partners are involved and mobilised in the “joint cause” in the above activities goes “way beyond” a normal business transaction.

In summary, in CSE there is both a practical definition of social partnership as a way to conduct different types of relations work and an ideal definition of a good partnership which draws on key stakeholders’ definitions of partnerships. As the partnership example in section 6.3 below also shows, the co-existence of a practical and an ideal partnership definition is a point of tension when it comes to valuing and managing partnerships. Furthermore, as I show in chapter 7 where I elaborate the partnership ideal, the ideal is involved in valuing work as a tool that serves as a benchmark for assessing and improving partnerships.

In the following, I present the partnership managers’ accounts of why the company is engaging in partnership which sheds further light on partnerships as relations work and the relationship between the valuing registers described in chapter 5 and the different types of work carried out in CSE.

### 6.2.2. THE RATIONALE

At the time of the interviews, one of three strategic goals in CSE’s business plan was for “Novo Nordisk” to be “the preferred private sector partner in the fight against diabetes”. This not only indicates the importance of partnering as a desired way of working in this unit, it also indicates that working in partnerships is a way to enact change leadership and the change catalyst identity described in chapter 5. In the partnership managers’ accounts, however, partnering is mostly described as a necessary way of working to achieve success, and less as a desired state or a desired way.

*Depending on partnerships to succeed*

As mentioned, the activities listed in table 6.1 are examples of activities in which the company does not work alone. In fact, when I asked why the company had engaged in the “partnership”, 8 out of 18 partnership managers said the exact same words “because we (obviously) can’t do it on our own” – and the rest said the same thing, but in different words. Here is a typical example:

“So we have this mission that we want to change diabetes....and obviously we cannot do that alone, obviously we need to partner with others who are on the ground in the countries who actually have a role to play and Novo Nordisk can only be let’s say a part of this “

Partnerships are talked about as a necessity to succeed with the changing diabetes “mission”, but what is it that the partnerships managers can not do on their own and what is it that partnerships are good for? In responding to this question, the partnership managers seem to confirm the resource dependence perspective presented in chapter 2 as they talk about the “resources” that they need to do the “awareness raising”, “advocacy”, “improvement of access to diabetes care”, “explore new solutions to diabetes care” or whatever it is that they say they can not do on their own. Interestingly, in these accounts, they tend to enact the pharma business version of the company associated with the profitability & market leadership register. The “we” that can not succeed on its own is a “private sector company”, an “industry”, a “pharma company” that, as highlighted in chapter 5, faces problems in its environment – the pharma market where the company has limited credibility with payers and price negotiations are becoming increasingly tough. Enacting the change catalyst identity through diabetes partnerships is a way to (try to) add nuances to or change these stakeholder groups’ view of the company. In the following quote, a partnership manager is talking about diabetes partnerships as “a necessity” for dealing with the “baggage” that the pharma “industry” has in negotiations with payers.

“... you can’t operate in a vacuum as a business, you have to be able to appear, to be a credible partner and you know that we come with baggage, as industry ...when we go and contact payers, make our case for getting reimbursement etc. .... we’re known for trying to get the highest price possible, so our credibility is obviously at risk, so the fact that our.. same stakeholders see us in other contexts where we actually have a genuine interest and I think we do have a genuine interest in trying to address the diabetes challenge in the country I think that is the way to go and it’s a necessity, it’s getting more and more difficult..”

The resources needed vary depending on the type of relations work involved in the partnership. When partnership managers talk about what they “want” or seek “to

get” through partnering, the four aspects they mention most frequently are expertise, outreach, legitimacy and local infrastructure. Co-funding and in-kind donation are also mentioned, but less frequently than the others.

When it comes to implementing public health activities, partners with local infrastructure is highlighted as a precondition for success as well as local law and regulations which stipulate what the (a) company can and can not do. In the following quote, a partnership manager is responding to the question of why the company is engaging in partnerships and at the same time listing what it is the company needs to succeed in implementing a diabetes partnership in a community in Latin America.

“We do it because we basically can’t implement the things that we want to do alone. We need local grounding, local ownership. We need local expertise as well.”<sup>14</sup>

In public affairs partnership – which is what is being discussed in the following quote – it is crucial to get partners with a legitimate voice on board:

”It is impossible to do it alone.... we can’t just make some sort of Novo Nordisk event and expect organisations and ministers to show up and listen to what we have to say”<sup>15</sup>

But partners’ legitimacy is not only important in public affairs partnerships. It is highlighted as a key asset in almost all the different sorts of partnership with the exception of the wind power partnership with DONG Energy. In this case, it was a specific partner competence that the company was after (that is not to say that DONG Energy is considered an illegitimate partner):

“Realising what you can do yourself and what you can’t do is what makes you go outside to find somebody who can ....if we hadn’t collaborated with DONG Energy about green energy we might have proceeded with our plans to build our own wind farm .. but that is not

---

<sup>14</sup> Translated from the Danish: “Det gør vi jo fordi, at vi dybest set ikke kan implementere de ting, som vi gerne vil selv, vi har brug for lokal forankring, lokalt ejerskab, vi har brug for lokal ekspertise også”.

<sup>15</sup> Translated from the Danish: “Det er umuligt at gøre det alene..vi kan ikke bare holde et eller andet Novo Nordisk arrangement og så forvente, at organisationer og ministre og andre stiller op for at høre, hvad vi har på hjertet”.

our core competence...so you get complementary competences when you enter a partnership”<sup>16</sup>

When it comes to the question of who is a legitimate partner, the partnership managers mention UN organisations (e.g. the WHO), patient organisations (e.g. IDF and national patient organisations), ministries of health and health care specialist organisations (e.g. ISPAD) as almost trustworthy by definition.

“The diabetes associations have an incredible trustworthiness and legitimacy vis-à-vis decision makers. They have a history. They are close to patients and therefore it is crucial to have them on board”.

Having such partners on board is a way to give a partnership a seal of approval and enhance “Novo Nordisk’s” reputation in the eyes of the particular target group that the company is trying to establish good relations with.

“Usually we want to partner with an external organisation because it can bring something to our own image and reputation vis-à-vis the wider society or whatever target group you are talking about governments, UN and so on. For example, when you are partnering with the Ministry of Health, it is because the Ministry of Health has this type of legitimacy to work on health and they are public authorities, so by definition beyond individual or private interest like representing a public good. So when you are trying to partner with the MoH at national level it is definitely to get this, to be the one partnering with public authorities”.

Hence, as noted by Selsky and Parker (2005), at “Novo Nordisk,” legitimacy is enacted as a resource or an asset that some organisations have and others do not have in a given context along the same lines that expertise, outreach and infrastructure are resources or assets. In sum, the partnership managers’ accounts of the rationale for partnering appear to echo the resource dependence perspective on social partnerships described in chapter 2. However, the accounts also offer a more nuanced picture in that partnering is a way to conduct different types of relations work ranging from corporate branding to public health work. As these types of work are associated with different valuing registers, there is not *one* version of the company and its environment in CSE, which means that there is not *one* version of

---

<sup>16</sup> Translated from the Danish: “Den der erkendelse af, hvad man selv kan og hvad man mangler det er den der får en til at gå i byen og finde nogen der kan ....hvis ikke vi havde samarbejdet med dong om grøn energi så havde vi måske gået videre med vores løsninger om at så bygger vi vores egen vindmøllepark, det er ikke vores kernekompetence...så du får jo nogen komplementære kompetencer ved at gå ind i et partnerskab”.

the problem that a partnership is attempting to resolve or the resources required to resolve it. To complicate the picture further, most partnerships combine different types of work.

*Co-existing rationales related to different types of work*

As noted by Heuts and Mol (2013), different work practices have different ways of valuing. In addition to the resource dependence arguments, I found three different ideas about the partnership rationale in the interview transcripts (table 6.2). Each idea is related to and enacted through three different types of work that are combined in the partnerships in question: Corporate branding, public affairs and global health and sustainability.

*Table 6.2: Work related ideas about the rationale for partnering*

<b>Type of work</b>	<b>Valuing register, corporate identity and reality</b>	<b>The problem (rationale)</b>	<b>Resource need</b>	<b>Partnerships are (good for)</b>	<b>Measure of success</b>
Corporate branding	<p><i>Profitability &amp; market leadership:</i></p> <p>A business in the pharma industry competing in the market for pharmaceuticals.</p>	<p>Distrust:</p> <p>“We have to convince our surroundings that we’re serious about our mission and TBL”</p>	Legitimacy and outreach	Platforms for positioning NN as “more than a drug supplier” – as “a partner than can be trusted”.	Reputation and trust
Public Affairs	<p><i>Science &amp; innovation:</i></p> <p>A scientist and innovator who discovers new and better treatments to meet the unmet needs</p>	<p>Limited awareness about diabetes and price pressure:</p> <p>NN operates in a political business environment with limited</p>	Legitimacy and outreach	Platforms for getting diabetes on the agenda among payers, policy makers and other “key opinion	Influence on business conditions

	of people with diabetes.	awareness about diabetes and increasing pressure on drug prices.		leaders”.	
Global health and sustainability	<p><i>Responsibility &amp; accountability:</i></p> <p>A corporate citizen and member of local communities and global society aiming to do no harm and contribute positively to resolve local and global sustainability challenges</p> <p><i>Change leadership:</i></p> <p>A change catalyst and member of the global health community fighting the diabetes pandemic.</p>	<p>Health and sustainability challenges:</p> <p>The global health and wider sustainability challenges are complex tasks that Novo Nordisk as a responsible citizen and change catalyst has a responsibility to engage in resolving.</p>	<p>Local anchorage and infrastructure.</p> <p>Expertise, legitimacy and outreach.</p>	A way of combining core competences to resolve global sustainability challenges.	Impact at societal and patient level, reach and scale.

The different types of work relate to different valuing registers and as such they enact different versions of the company and its environment. In other words, the



work is carried out for different versions of the company addressing the different problems that these versions face. This often involves enacting alternative corporate identities. As one partnership manager puts it: “Partnerships change who we are”.

Corporate branding and public affairs work address problems faced in the good results registers. Corporate branding attempts to increase trust in the pharma business by enacting the change catalyst and responsible citizen identities. Public affairs helps the scientist and innovator advocate for increased and continued reimbursement of innovative diabetes treatment. Global health and sustainability work, on the other hand, supports the good relations registers by enacting the TBL and Changing Diabetes commitments as more than “just talk”. Further, these types of activity are directed towards societal problems as opposed to addressing problems faced by the company.

In practice, the different types of work transcend both team and partnership boundaries. A few of the partnerships have a clear work type profile, but most combine the three different types of work described in table 6.2. The diabetes leadership forums, for example, are quite clearly public affairs activities conducted by public affairs professionals from the Global Public Affairs team in CSE aimed at influencing business conditions. However, to underscore the point that the partnerships combine different types of work, public affairs practitioners also talk about the forums as corporate branding aimed at “positioning” and “differentiating” the company. In the following quote, a public affairs professional is talking about the rationale for the diabetes leadership forums (and echoing the quote above about diabetes partnerships as an attempt to change the way in which the “drug supplier” is perceived in its “environment”):

“In these connections (leadership forums, ed.) we suddenly become somebody else than a drug supplier, we become slightly more of a partner in the discussion about changing diabetes ...which can contribute to position and differentiate us in a positive way from competition...it paints a picture of us as someone that can be trusted, who also cares about prevention and who shows a genuine interest in strengthening health care systems and who is willing to invest in all of us.”

As another example of the combination of different types of work, in the following quote, a public affairs practitioner argues that Cities Changing Diabetes is not only a public affairs activity, but also a way of improving health for people with diabetes living in cities:

“If we succeed in creating this alliance and at the same time have the health department and the health mayor saying that “we do this and we

will invest money in it"...that will make a change....it sounds holier than thou, I know...but actually, that is what we aim to do"<sup>17</sup>

Along the same lines, the success of "Novo Nordisk's" engagement in the global health partnerships managed by the Changing Diabetes partnership team is not only measured in terms of social impact. It is also about gaining a good reputation in the global health community. In this quote, a manager of a global health partnership is talking about reputation:

"For us it is also about reputation and visibility; that we show that we stand together with the others".<sup>18</sup>

Most partnerships include and combine corporate branding, public affairs and global health and sustainability activities in different ways. What the managers emphasise as partnership rationales differs in their accounts, but in most they mention reputation, trust and influence for the company as well as making a change in the world. Also, perhaps as a consequence, different individuals tend to describe partnerships and partnership rationales in different ways. Cities Changing Diabetes, for example, is described as diabetes advocacy, PR, social innovation and a "very smart business strategy". The point, however, is not that some rationales or measures of success have higher priority than others or that different individuals have different perspectives on this. The point is that there are different rationales and measures of success involved in valuing partnerships. One consequence of this is that the business case for partnering is not easily defined, which is a point of tension as partnership managers – though partnerships are defined as non-commercial activities – have to make a convincing case for the value of partnership engagement in the good results register. If all partnerships, to some extent, aim for reputation and trust, influence and social impact, how are these qualities assessed and achieved and (how) do they help "Novo Nordisk" achieve good results? Chapter 7 attempts to answer this question by, among others, analysing "business case" work in relation to partnerships.

---

<sup>17</sup> Translated from the Danish: "Hvis vi får skabt den alliance og vi så samtidig har sundhedsforvaltningen og sundhedsborgmesteren til at sige, jamen det gør vi og vi kaster penge efter det, så får vi jo skabt forandringer ....det lyder meget, meget helligt ved jeg...., men det er jo faktisk, det er jo det som vi gerne vil gøre."

<sup>18</sup> Translated from the Danish: "For os handler det jo også meget om reputation og visibility at vi ligesom viser, at vi står sammen med de andre."

### 6.2.3. SUMMARY: PARTNERSHIPS IN CSE

In summary, the interviews with partnership managers in CSE indicate that partnerships are sites of tension where the different valuing registers presented in chapter 5 are activated and combined in various ways to achieve good relations and to argue the case for why good relations are important. One point of tension is related to the experienced discrepancy between the activities that in practice are categorised as partnerships and the idea of “true” partnerships as particularly collaborative relations with a societal change potential. Other points of tensions are related to the fact that partnership work enacts and combines the different valuing registers, which means that multiple versions of corporate identity and reality and multiple measures of success co-exist in partnerships. Analysing how partnerships are valued in the context of “Novo Nordisk” is, therefore, also a way of analysing how the tensions between the valuing registers described in chapter 5 are dealt with and how co-existence is achieved. Furthermore, what is special about partnerships is that they go beyond the valuing registers of “Novo Nordisk”. Though the majority of partnerships accounted for in this section have been initiated by the company, they would not be partnerships if the partners involved had not agreed to engage in the activity. Hence, the question is not only how tensions between the valuing register of “Novo Nordisk” are dealt with in partnerships, but also how these registers are coordinated with the valuing registers of the company’s partners. Below, I tell a story of the evolution of a partnership idea in practice that also serves as an introduction to the work involved in making partnerships worthwhile for “Novo Nordisk” as well as its partners. The example also shows that though the majority of partnerships on CSE’s list are about diabetes, the unit is also involved in partnerships within environment, education and other areas related to the Changing Diabetes and TBL commitments. So, for now I leave the field of health and diabetes, but I return to the diabetes partnerships in chapter 7 where I analyse how they are made worthwhile.

## 6.3. A PRACTITIONER’S ACCOUNT: SUSTAINABLE COMMUNITIES

In this section, an actual partnership site where CSE is working together with the Product Supply division of “Novo Nordisk” and a local municipality is presented. The purpose is to explore how a “social partnership” idea emerges and evolves in practice. In addition, the account serves as an introduction to how the tensions described above are handled in practice. The text is in the form of a personal logbook based on my active participation and observation as a member of “Novo Nordisk’s” partnership team. The work and process described in the following is further analysed in chapter 7.

\*\*\*\*\*

*January 2nd 2013 is my first day at work in Novo Nordisk's Sustainable Communities project team. For a while, I have been following the project from the sidelines as the project is a cross-organisational endeavour governed by a Steering Group with representatives from Corporate Stakeholder Engagement as well as Product Supply. I know that the project idea was formulated in 2012 in connection with an update of the company's environmental strategy which was a task that the Corporate Sustainability team from CSE and the Global Environment and Health and Safety (GEHS) team from Product Supply carried out together. As well as actions aimed at ensuring "continued decoupling of business growth and environmental impact", the updated strategy included three "game-changer" projects that aimed to "maintain and develop Novo Nordisk's leadership position within environmental performance" by taking the company's environmental activities "to the next level". I also know that the Sustainable Communities project, as one of the three game-changers, has had a difficult start. In an interview I conducted to get a better understanding of the background, the project manager in charge of the strategy update told me that whether the Sustainable Communities idea should be part of the final strategy at all was debated until the very last minute. "It was hard to get a hold of", but "we didn't really feel like letting it go either", I am told. An argument in favour of the idea was that "it made sense to do something around our larger sites where our environmental impact on the communities is quite significant". Other arguments were that "talking about sustainable community development was a way to make environmental work more local and present". The Senior Vice President of Product Supply at the time was also a strong proponent of the idea: "It was very much all the things that he believed in – partnerships and symbiosis and all that". When I ask what "it was hard to get a hold of" means, the project manager says that in comparison with the two other game-changer ideas on environmental impact in the company's supply chain and the environmental footprint of its products, the Sustainable Communities project was "much less concrete" and took "a broader view". Further, project impact was hard to measure: "Our energy consumption, our CO<sub>2</sub> emissions can be measured, but understanding our impact on a local community, how do you really measure that?" So, while the original intent had been to describe the game-changer projects "quite firmly with targets and all", in the presentation to the corporate committee approving the strategy they became "more of a description of what we wanted to do with a process for how the ideas would be further developed". In addition, it was decided to run the projects according to the project management model used in Product Supply at the time, which had "milestones and decision gates along the line where ideas could be dismissed if we didn't succeed in developing anything that would create value".*

*Not only had the project been on the edge of not being initiated at all, it had also been subject to some turbulence after it was approved and started being*

implemented. One challenge was to find the resources – people and money– to drive the project. Another, and related, discussion point was about the way to manage a game-changer project, in particular how much time it was reasonable to invest before the project starts delivering results. People from the social innovation office in Corporate Stakeholder Engagement who had taken an interest in the project because of the “game-changer” vision argued that if the idea was to develop an innovative concept for sustainable community development with game-changer potential, the project had to be run as an innovation project that allowed more time for exploratory work, concept development, pilot testing in communities and continuous learning. The innovation team argued for taking a broader, systemic view on sustainable community development saying that it may lead to the discovery of new value opportunities and new ways of working. The focus in Product Supply, on the other hand, was on making progress and delivering results fairly quickly within three focus areas where it was known that there was an overlap between company and community interests: Health, environment and knowledge (education). By December 2012, a deal had been made between the two units which gave the project approximately 6 months extra time to develop the concept following the Innovation Office’s Innovation Project Model. As part of the deal, the innovation office dedicated one of its innovation consultants to work on the project for this period alongside the project manager from Product Supply. As part of the industrial PhD agreement between Product Supply and Corporate Stakeholder Engagement, I was also dedicated to work on the project from January 2013. So, from January 2013, the project manager, the innovation consultant and I made up the company’s Sustainable Communities team (in the following also referred to as the SC team).

And now back to my first day at work in this team. **It is 09:00 am January 2<sup>nd</sup>**, freezing cold and only 32 hours since dresses were short and spirits high. But here we are. All sober, appropriately dressed and ready to get to work. The project manager has summoned us for a 2 hour workshop that he has prepared in collaboration with the innovation consultant. We are meeting in one of the offices of an old insulin filling plant which has temporarily been lent out to the innovation team. The 10 people attending are colleagues primarily from the innovation team and other teams in Corporate Stakeholder Engagement. Following the new organisation of this project, the purpose is to get everybody on the same page across Product Supply and CSE. Further, the invite says that the purpose of the meeting is “to discuss which benefits we should pursue through the strategic project Sustainable Communities (value hypothesis) and initiate a discussion on how we can do it” (solution approach and framework). The discussion about the potential value – or benefits – of the project has been going on since the idea was conceived and ahead of the workshop a substantial amount of work has already been done to respond to the two central questions concerning the potential benefits of this idea. The first concern is what the “added value” might be. The company is already involved in community development around its major production sites. In

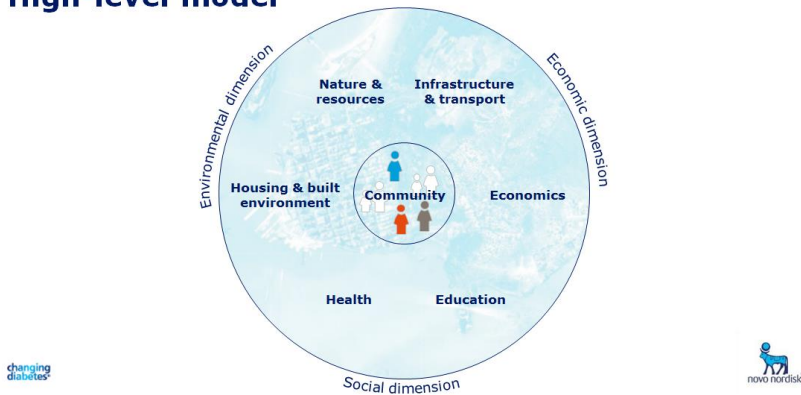
*Brazil, for example, it has established a park around its production site with a school-service where local schools can come and learn about environmental issues. In Denmark, it is involved in an industrial symbiosis where local industries re-use each other's waste-streams. Sponsorships of community activities and diabetes awareness activities on World Diabetes Day are other typical examples of local community engagement. So, why do more? What is there to gain? A second concern is about measurement. "Speaking with data" is a mantra in Product Supply so since the project was approved a lot of work has gone into discussing and suggesting what the appropriate benchmarks, Key Performance Indicators and impact measures might be for this activity. In the workshop, the innovation consultant builds on earlier work conducted to establish so-called Shared Value hypotheses as indicators of potential benefits to Novo Nordisk and potential benefits to the local communities. He adds a new dimension to the conversation: Value to whom? He asks us to discuss what the educational system (schools and universities), industry, Novo Nordisk, local communities and the health care system might get out of community initiatives within health, knowledge and environment.*

*Another discussion is about the level of ambition that the project should pursue in terms of solutions, collaboration and pursuit of so-called Shared Value initiatives. Three scenarios are presented. In the isolated solutions scenario, the company's and the communities' activities within the three focus areas: knowledge, health and environment activities are separated and only create value for the company. In the aligned solutions scenario, the company's activities are aligned with local community initiatives within the three focus areas, for example, through consortia. In the integrated solutions scenario, knowledge, health and environmental initiatives are interconnected and these integrated solutions have the potential to be applied at a global scale. In the workshop, I argue that if this project really aims to change the game, the integrated solutions track is what we should aim for.*

**Two weeks after the workshop**, the Steering Group is introduced to the solution framework. They decide that the Sustainable Communities pilots should strive for "alignment" between company and community activities within the three focus areas. Integrated solutions, we are told, will be considered an "add-on benefit". At this meeting, the Steering Group also defines the task that we work intensely on in the following months, which is to "define and visualise what sustainable communities mean for NN". The minutes state that health, environment and knowledge are "good focus areas as a starting point", but that there is a need to "double click" and "define our aspiration more clearly". Moreover, we are asked to describe how existing projects contribute to "the picture we want to create". What part of the frame do they fill out, which value do they create and what else is needed to create "the full picture"? Finally, the group must define criteria for when an initiative/project is part of Sustainable Communities with regards to scope and the way we work. The deadline is the StG meeting in April 2013.

***In February**, we begin our search for a definition of a sustainable community on Google. Quite quickly, we find inspiration from three different sources. The first is the so-called “Egan Wheel” which suggests that sustainable communities must “make effective use of natural resources, enhance the environment, promote social cohesion and inclusion and strengthen economic prosperity” (Royal Geographical Society, 2016). We like this model because it is “holistic” - it “paints the bigger picture” well – and because the three dimensions are aligned with the Triple Bottom Line. The second source of inspiration we find in the US - The San Francisco Sustainable Communities Index. The Sustainable Communities Index is a system of over 100 performance indicators for sustainable cities. The strength of this model, seen from our point of view, is that it, in contrast to the Egan Wheel, includes public health as one of the components of sustainable development. Furthermore, the performance indicators might help us come up with meaningful and useful measures for performance and impact which is another challenge we are struggling with in this project. Finally, we get inspiration from the UN Global Compact’s Cities programme which has developed an approach to sustainable community development that includes a ranking system where sustainable community development issues are ranked on a 9 point scale from being critical (in red) to vibrant (in green). We appreciate the systematic approach to identifying and ranking the key issues within sustainable community development as this corresponds very well with the call for “speaking with data” and having benchmark data to work from. Further, it is a method that in many ways reminds of the scoring system we use when we measure performance against Balanced Scorecard targets in the company. Finally, we consider the fact that the model has been developed under the auspices of the UN Global Compact, which Novo Nordisk has been a signatory to since 2001, to be a stamp of quality. We have phone conferences with the people behind the UN and the San Francisco models. We are curious to learn about the background of the models and how they are being used and what experiences have been had. In our team meetings, we discuss how to adapt the models to Novo Nordisk and we end up with a first version model of sustainable community development with seven “model components”:*

## High-level model



To “make it our own,” we have added the dimensions of the Triple Bottom Line – economic, social and environmental to the circle. Further, in a more elaborate version of the model, we have specified three “sub-components” for each of the 7 model “components”. For example, “community” is divided into: Governance, Services, Culture & Sports. Inspired by the UN Global Compact Cities programme, we have also developed what we end up calling a spider-web model where each of the 21 sub-components are ranked on a 1-5 scale in terms of current state as well as desired state. This exercise, we argue, will be a first step in “analysing the value case” as it will establish the requested benchmarks and point to where the biggest gaps are in terms of current and desired state. Based on this holistic gap-assessment, the next step in the value case analysis will be for Novo Nordisk to prioritise the areas or issues where the company considers it may gain from further engagement and then, as a final step, produce a business case for these priority areas and engage in partnerships on the ground.

**Early April** we are ready to present the model to a group of colleagues from Product Supply and Corporate Stakeholder Engagement in a so-called “challenge meeting”. In the meeting, opinions vary. One participant finds the approach “too engineering-like”. Others find it “too political”. This leads to a lengthy debate about when sustainable community activity becomes political and how the company should tackle this. Some favour the broader approach, while others advocate that the company should drop the holistic approach and take a starting point in its own world: “Make it clear what we stand for and what we will prioritise and then get on with it”. At this meeting, the impatience surrounding the project is voiced again: “Let’s get to work and not get lost in academic details”, one person says. A representative from GEHS repeats that it is important to articulate “quick wins, medium term wins and long term wins”.



*In the following weeks, we receive more feed-back from colleagues underlining the tension between the holistic approach and the focused approach. A local production site manager recognises that “all dimensions of the model are important” and appreciates the need to engage with local authorities to get “a common picture” of future development challenges and opportunities. At the same time, he stands by his assertion that health is the most important issue because this is where he sees the strongest link to the business priority of selling more insulin in the local market. Colleagues from the company’s American sales affiliate appreciate the model, but remind us that “you can’t be all things to all people”. In their community work in the US, they focus on how the company can differentiate itself: “What is the story we want to tell? What is our expertise and where can we differentiate?” Following this call, we discuss whether we have lost sight of the competitive edge and business value. For two months, we have been so caught up in definitions of sustainable community development that we have to remind ourselves that the idea is to create value not only for communities, but also for the company!*

**30 April** *our deadline runs out and we present the Sustainable Communities concept that we have developed during the past months to the Steering Group. We have formulated an aspiration for the project reiterating the TBL leadership ambition measured through third party recognition: “To be recognised for our proactive contribution to sustainable community development in the communities where we have a significant presence”. We have also produced a set of guiding principles and a set of Sustainable Community project criteria that attempts to qualify what a Sustainable Community activity is and allow assessment of how well the company’s existing community engagement activities live up to these as an indication of where the potential of adding value is the biggest or the smallest. The concept is approved with some minor adjustments. As one of the guiding principles we have proposed the following sentence: “We are prepared to go the extra mile to find new solutions that change the game”. The Steering Group asks us to add that we are only prepared to do this when it will add value. The revised sentence says: “We are prepared to go the extra mile to find new solutions when it serves the long-term interests of our business and the community”. The discussion about the company’s role on the broader community development agenda re-surfaces in this meeting as well as does the concern to see the project start delivering results. The Steering Group emphasises that the company should help drive the broader agenda, but not drive all projects. The model and the ranking method included are seen as tools that can “help set the agenda”. At the meeting, the project manager is given a green light to enter into dialogue with the municipalities in two test sites (community “A” and “B”) in collaboration with the heads of the local production sites who are members of the Sustainable Communities Steering Group. The discussion in the Steering Group is reflected in the instruction to the project team. Instructions are to apply a “two-legged approach” in the dialogue with the local municipalities:*

*“1. A quick and dirty gap analysis using the proposed spider web. Help the community set the agenda, but only involve NN in the areas where we can see a clear business benefit*

*2. A more thorough analysis of the components where we see obvious partnership opportunities”*

**21<sup>st</sup> of June** is a warm and windy summer day. Following a meeting between the project manager, the municipality’s development team in community A and a phone call between the Mayor and the head of the local production site, it has been agreed to test the model and the spider-web ranking method in a workshop. During the past weeks and days, we in the company’s SC team have been busy preparing for the workshop together with an employee from the municipality’s development department who has been assigned the task. The car is packed with poster-size prints of the Sustainable Communities model and the spider-web, post-it notes, crayons and other workshop gear - and we are really excited about how this is going to work out. Two minutes before we reach the place where the workshop is held, we pass the company’s production site which is the second biggest workplace in town – only topped by the municipality itself.

The workshop is held in a modern building in an industrial area on the outskirts of town. The municipality’s development team is based here together with the secretariats of various public-private partnerships. The place – called a ‘house’, not an ‘office’ – has a spacious plenum area and several group rooms. The workshop is scheduled to run from 10:00 am -15:00 pm. We are around 30 people. All are working for either the company or the municipality and are considered to be experts within one or more areas of the sustainable community model. The only exception is a representative from a national project on scenarios for green transition which A has recently entered a partnership with.

A member of the municipality’s development team opens the meeting by stating that the company’s importance for community A is “indisputable” and highlighting that Novo Nordisk’s engagement in sustainable community development may function as a lever for the municipal planning strategy. Next on the agenda are two presentations under the headline: Why is sustainability important for Novo Nordisk and A. The head of the local production site opens his PowerPoint presentation with a picture of the Triple Bottom Line triangle. “Is this commitment just talk?”, he asks rhetorically. No, “we strongly believe that sustainable business secures long term business success”. The following slides address the business benefits of the proposed collaboration on sustainable community development within the three focus areas of health, education and environment. “Skilled and healthy employees is the most important factor for future growth in A” and “Environmentally sustainable growth requires innovative solutions” are the key messages. The presentation also includes a slide with the Sustainable Communities model

*addressing how Novo Nordisk sees its role in sustainable community development: “We would like to contribute to putting sustainable development on the agenda in the communities where we have production sites” is the headline. He stresses that the Sustainable Community initiative is a collaborative and broad initiative – “This is not philanthropy and I do not come here with a truck full of money! We wish to put sustainable development on the agenda and discuss where we should go together. What can Novo Nordisk be a part of? What can we not be a part of? We encourage that the debate becomes broad and not only in Novo Nordisk’s interest”, he says. The presentation ends with a slide about the company’s commitment to work in partnerships and inspire others to “get the ball rolling”.*

*The next speaker is from the environmental and technical administration in A which is responsible for municipal planning. The presentation reminds us that the municipality is obligated by law to address sustainable development through the so-called Agenda 21 plans referring to the Brundtland definition of sustainable development which is also the foundation for the TBL approach. The presenter underlines that the municipality is “practicing” working in a cross-disciplinary, holistic and long term manner and goes through how the Agenda 21 plan and the municipality’s planning strategy – also a legal obligation –, since 2011 have been merged into one document. On the slide it says: “Sustainability should no longer be parked in a report. We wish to work for integration of sustainability so that we have a greater focus on this parameter in the tasks the municipality is responsible for resolving”. The next slide points out that the municipality has multiple roles – it is a local authority, a project partner, an advisor, an employer. The speaker points out that it is common to assume that companies are focused on bottom lines and efficiency and municipalities are inefficient, but “maybe we are not that far from each other!”, he points out. The final slide addresses the importance of cross-disciplinary and cross-sector collaboration in the municipality’s work.*

*The remainder of the day is divided into two sessions of group work. The first is a discussion of the Sustainable Communities model and its sub-components that we have printed on large posters and hung up on the walls in the group rooms. The groups are asked to discuss what a sustainable community is and what elements it contains. The instruction handed out to the groups stresses that the model and the components are for inspiration only. It is okay to change and re-draw the model. When the groups walk around from poster to poster to hear what is being discussed, the key points are that the model captures the relevant elements of a sustainable community, but that it is also a question of quality of life, culture and innovation. One group discusses how different actors and different generations may have quite different perspectives on what a sustainable community is. It is also noted that the elements have different weights and are inter-related. For example, good infrastructure and opportunities for education are important parameters for growth and wealth. Education, jobs and city planning affect health conditions and so on. In the summary prepared after the workshop, we write that “understanding*

*the connections which give the opportunity to design solutions that kill two birds with one stone is an important step in the process moving forward”.*

*The focus of the next group session is to test the spider-web. The groups are divided into model components and asked to identify which sub-components are most important for becoming a more sustainable community. Second, to “subjectively assess” if the groups find that the current state within these themes is contributing to this development. In Novo Nordisk’s Sustainable Community team, we have made a ranking scale from 1 to 5, illustrated by a grumpy no. 1 face to a smiling no. 5. Finally, the groups are asked to come up with ideas for solutions.*

*By 15:00, the workshop is over and we pack our bags. Following the workshop, we discuss how to use the outcome of this first test of the spider-web model which was “just an exercise” and a “subjective ranking”. In the workshop summary, we decide to list all issues rated below 3 as “key challenges” reminding ourselves that this assessment will be validated and consolidated at a later date. The workshop summary, which is co-signed by A and NN and is shared with workshop participants just before the summer break, concludes that “Novo Nordisk and A have many shared interests in the future development of A” and we decide to establish a working group that will “drive the discussion forward towards the prioritisation of concrete actions”. It further states that “the development of A is an issue that affects many actors and which many actors have an influence on and can contribute to. Therefore, it is important to involve relevant political and administrative levels. Citizens, civil society and local business in the future process”.*

*So, based on “shared interests”, we decide to continue the “discussion” aiming at “concrete action”, recognising that “many more actors must be involved”. A coordination group, which is referred to as the SCA team or coordination group in the following, is established to continue the work.*

**28 August**, the SCA coordination group meets for the first time to kick off the collaboration. The main points on the agenda are a discussion of the project objective and expected results of the collaboration and a discussion about how to organise the collaboration. At this first formal meeting in the group, we open four discussions that become recurring themes in the months ahead as we work together to prepare a project description. For the municipality, it is important to have “something in writing” that describes the collaboration should the public make an inquiry. The municipal council also needs to be informed of the collaboration. One discussion point is about methodology. Are sustainable development decisions made based on scenarios, facts or has a political decision about what to prioritise in future development of the municipality already been made? The green transition project, which the municipality is already engaged in, is based on a future scenarios approach. The spider-web model that Novo Nordisk has introduced is an

*analytical fact-based methodology comparing current and desired states. The municipality already has a set of existing priorities for future development. Still, the municipal staff expresses support for a data-based approach to help prioritise initiatives. In the minutes from the meeting on 28 August, it is noted that “a consolidated analysis will help point to the most important areas and prioritise these and that it can facilitate the greater involvement of stakeholders”. Closely related to the discussion about methodology is the discussion about coordination of the SCA collaboration and the green transition project. Novo Nordisk’s SC team promotes a one project approach as we think that the two projects address the same fundamental question – the future development of A. We appreciate that the project scope and methodologies are different, but argue that this might in fact be a strength as the visionary and the fact-based work will supplement and strengthen each other. Also, the transition project is planning local workshops in A that the SCA collaboration might as well take part in instead of organising its own. The minutes state that “it is important to coordinate the two projects as there are shared interests and opportunities for synergies”. A third discussion is about stakeholder involvement. In the first meeting, we in Novo Nordisk’s SC team repeat what the head of production said in the workshop: that we would like Sustainable Communities to be a broad platform with room for other stakeholders. The municipality recommends that we “start small” referring to having had earlier mixed experiences with larger partnership groups. In the kick-off meeting, one of the employees from the municipality raises the issue of the potential risk that the collaboration will be seen as giving the company special privileges in the municipal planning process. Given the company’s prominent position as the second largest employer in the municipality, there has, from time to time, been criticism that the main town is a “NovoCity”. From Novo Nordisk, we underline that the NovoCity critique is a very relevant risk in terms of reputation that both organisations have an interest in avoiding. The minutes recognise the importance of involving other local stakeholders to avoid the NovoCity critique. The final discussion point is about ownership; or rather, in the meeting on 28<sup>th</sup> August it is not debated. Just a remark that somebody makes: “It is important that this is an equal partnership – “we own it together”. We all nod.*

***During the next few months,*** the SCA coordination group produces a description of the collaboration which is given the name “Sustainable A 2025”. We divide chapters between us and adapt the Novo Nordisk Product Supply project charter template for the purpose. Our point of contact in A is appointed project manager of the SCA coordination group. The innovation team member is Novo Nordisk’s point of contact, but the project manager and I are also members of the SCA team and take part in drafting the project description. Two more employees from A and a representative from the green transition project are members of the group.

*Issues raised at the kick-off meeting in August continue. The green transition project is delayed and the more we in the company learn about the project, the*

*more we have second thoughts about the feasibility of aligning the two. One thing is the delay which makes coordination less feasible from a time perspective. Another issue is that the green transition project focuses primarily on one component of the Sustainable Community model - environment and energy. From having actively promoted the integration of the two projects from an efficiency point of view, we gradually change our minds regarding the value of integrating the two projects. In the company, we are also somewhat provoked by the fact that we are mentioned in a publicly available description of the green transition project as “a business partner that is deeply involved” in the project in municipality A. Not that it is untrue, but we have not been asked if Novo Nordisk’s name could be used in the context of the project. Using our company name and logo without permission is not something we take lightly and we ask that it be deleted.*

*Further, while drafting the project description, we have several discussions about the importance and timing of stakeholder involvement – do we start small and develop the idea before we engage or should the collaboration be open to other stakeholders from the beginning? Opinions differ within the coordination group. Some are keen to ensure early and broad involvement to ensure local anchorage and avoid critical questions, while others are keen to ensure that the collaboration does not drown in stakeholder consultations which prevent the partners from getting things done. We conduct an initial brainstorming session and create a long list of relevant stakeholders within the themes of the spider-web with more than 100 stakeholders ranging from individuals to categories of stakeholders such as local sports clubs, etc. The list is included as an appendix to the project description. In the proposed governance set-up, we recommend that “other stakeholders are involved through one or more reference groups based on the brainstormed list” and we promise to make a plan for stakeholder involvement which will be presented to the SCA Steering Group in the next phase of the project.*

*The discussion about local democracy is also ongoing. One example is a mail correspondence about a McKinsey Quarterly article about an American community alliance where a group of companies join forces to promote regional development. From Novo Nordisk’s side we share this example with our SCA team members because, in our opinion, it relates to the discussion about stakeholder involvement. We highlight that we like the example because the alliance works in a fact-based manner and has an action-based structure with a small coordination team and activity-based working groups. In our view, the example illustrates how a group can work together without it “being a big discussion club that can not make any decisions”. An employee from A comments that the example is good, but that it is also important to be aware of how to ensure that local democracy with elected politicians does not get “run over” by such a forum of “energetic corporate executives”.*

*Working closely together and articulating the scope and objectives of the collaboration also brings up new issues. One example is a discussion we have about the role of the Sustainable Community model and the spider-web analysis. In a meeting where we go through a draft of the project description, staff from A asks if we should mention that Novo Nordisk is using the partnership to test a model – where the municipality is a “guinea pig”. This is said with a big smile, but it wakes us up. Personally, I react quite strongly saying that the collaboration is about our long term business strategy in A, not about testing a model! Another of my team members from Novo Nordisk reminds me that we are in fact testing the model as part of the collaboration even though the test may not be the primary objective. When we present the project work plan, the Novo Nordisk timeline for the Sustainable Communities project becomes an issue. When the municipality staff suggest that we disregard a week before Christmas and two weeks in April because many employees in A are on holidays during this time, we start getting impatient with the process. How can we deliver the quick wins that our management expects if our collaboration partners are not in a hurry?*

*As part of the project description, we also prepare communication principles for the collaboration. The green transition project has an ambitious plan for external communication, whereas the municipality and Novo Nordisk, in particular, prefer not to shout too loud about the collaboration “until it shows concrete results”.*

***In October***, there is a meeting in the Novo Nordisk Steering Group for the Sustainable Communities project. Progress in the pilot is appreciated, but the team is asked again to clarify how the Sustainable Communities project contributes to existing community initiatives. Is having a systematic dialogue with local communities not just what is to be expected of the management of all production sites? Which activities would disappear if the Sustainable Communities project was shut down?

***Wednesday 20 November***, the newly established SCA Steering Group meets for the first time. Members of the group are two members of the management of A, the head of the company’s local production site, the Project Manager of Novo Nordisk Sustainable Communities project and the coordinator of the SCA team. A representative from the green transition project is also participating. The Steering Group approves the project description with no “major changes” except for the green transition project not having a permanent seat in the SCA coordination team and Steering Group. The two projects will be more loosely coordinated on a needs basis. In preparation of the consolidated spider-web analysis of current state, the Steering Group asks the group to ensure that existing activities which have been politically approved are included in the analysis, for example, the idea of establishing a new park on the harbour front: “It is important that the project with its starting point in the model describes key challenges within the themes and makes visible where activities have already been launched that address some of these

*issues. A mapping of projects coupled to the themes of the spider-web model was requested, also showing the connection to the plan strategy.” Finally, the Steering Group agreed to “be open towards other partners, but appreciates that activities have been initiated in a more narrow forum”.*

*The approved project objective is to “promote sustainable development in A”. The project targets and deliverables are:*

- 1. To create a qualified foundation for making strategic choices which promote sustainable development (delivered through an analysis and visualisation of current and desired state of sustainable development in A).*
- 2. To initiate prioritised initiatives which promote sustainable development (delivered through proposals for concrete projects and partnership initiatives based on strategic choices and prioritisations).*
- 3. To anchor continued development of the project locally (delivered through a recommendation on future governance and anchorage of SCA and involvement of local stakeholders).*

*The overall project plan is to deliver the spider-web analysis by the end of February as the analysis is to be presented to local politicians at an annual planning seminar in March. Following this, the SCA team will conduct the stakeholder analysis, workshops and develop partnership ideas from April to October. The implementation of the partnership projects is scheduled for November 2014 when the future governance of the collaboration will also be decided upon.*

***In December 2013***, the SCA group starts to produce the “consolidated spider-web” analysis. We discuss how to organise the work. Which data are available? Which are not? How do we collect data and which professionals from the partner organisation can we draw on? Some components of the model will be more difficult to assess than others. How do you measure “mindset”, for example? Benchmarks and the balance between quantitative and qualitative data is discussed. We agree to “use key figures and national benchmarks with care and to also pay attention to qualitative data that may lead to a more nuanced description of the current state to reflect local conditions”. We prepare a detailed plan of the mapping exercise which specifies which data to include, who is responsible and when the work is due. We decide to establish working groups for each Sustainable Community model component – a group on health, a group on education and so on. We work in pairs and try to involve professionals from Novo Nordisk and A in all groups.

*To ensure coherency, each team is asked to fill out a “fact sheet” template for the model component and its three sub-components. Producing “fact sheets” is something we do often in the company when we want to provide a quick overview of*



*a project or a topic. So, we provide one of our fact sheet templates and adapt it to the spider-web analysis including a section for the facts (data/key figures compared to region and/or country level), a description of the current state, a list of key stakeholders within the theme and, as requested by the SCA Steering Group, a list of existing initiatives. As a rule of thumb, the groups are instructed that these fact sheets are two-pagers, i.e. they cannot exceed two pages in length to avoid losing an overview. Furthermore, the fact sheet working groups are instructed to focus on describing and assessing the current state and not to go into “solution mode”.*

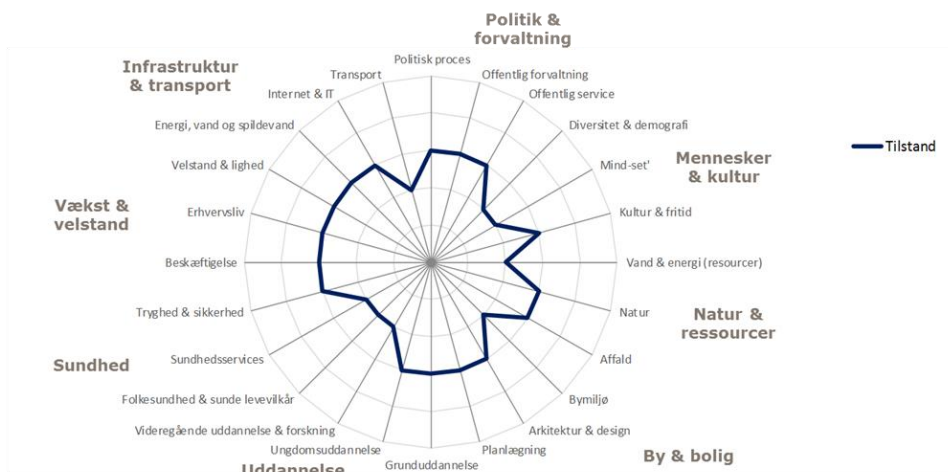
*During the process of making the spider-web analysis, the fact sheet template provokes several discussions in the SCA group about the Sustainable Communities model upon which it is based. What do we in the company mean by “culture”? Is “tourism” business or culture? Why have we made a “people and culture” component, why is it not “people and health”? We in the Novo Nordisk team say that this is how the models and research we have been inspired by typically categorise sustainable communities. The “public governance and service” component is particularly challenging. Again, we have a discussion about why we in the company have included this in the first place. We argue that a transparent and participatory political process is important for sustainable development and that the level of public services is a factor that may attract or discourage people from settling down. At first, however, the SCA working group decides not to include this in the analysis as it “covers everything in a way” and we agree that it does not really make sense to dive into issues of transparency and public participation when we live in a country that is among the most well-functioning and least corrupt democracies in the world (at least, this is the impression we share). The working group also hesitates to assess how well the public administration in A supports sustainable development. Later, the Steering Group asks the group to include “public governance and service” in the final analysis to make it complete. Two team members from A take on the task. We from the company pass – we have been involved in producing almost all of the other fact sheets, but this is “not our business” though we do participate in the discussion about which measures to use. No one measure of the quality of public service covers all areas so the working group decides to use the budgets for the different service areas as a key figure as well as data from a benchmark analysis of municipal service levels. The team preparing the fact sheet also includes some facts about the municipality as a workplace and includes tax percentage and election turn-out.*

## **2014**

***Mid January, 2014,** we present the first three draft fact sheets to the Steering Group who approves this approach and asks us to ensure that each sheet ends with a conclusion and a “commented score” which is “as concrete as possible” – to allow an easy overview of the current state in the area in question. At this meeting, the Steering Group for SCA also approves a set of communication principles which*

articulates that SCA is owned by A. The first principle is: “A owns the project. Therefore, A is the primary sender of external communication”. In this connection, a text is produced for internal communication at the local Novo Nordisk production site which presents Novo Nordisk as a participant in the project: “It is natural for the company to participate in SCA because, as a key player in the city with 2400 employees, it is important for us to take part in putting sustainability on the agenda as well as take an active part in the development of A where it is valuable from a business and societal perspective”.

After the Steering Group meeting, in the SCA working group, we continue working on the fact-sheets and discuss how to score the current state in terms of ensuring sustainable community development. The company team makes a proposal which consists of giving each model component a “general subjective score” from 1-5 inspired by the UN Global Compact Cities programme. 1 is a critical state, 3 a satisfactory state and 5 is a sustainable condition. To back this score up, we identify quantitative measures for each sub-component and make a proposal as to how to link the measures to the general score. On education, for example, we use the average grades in public schools as a measure of the current state within primary education. For secondary education and higher education, we use the percentage of a class that finish an education at these levels as a measure of the current state. We define it as critical (1) if less than 40% of a class finish a higher education and sustainable (5) if more than 55% do so and so on for each of the 21 sub-components. In some cases, we give up on finding a quantitative measure, for example, “mindset” and “architecture and design”, but in most cases we end up with a proposal that allows us to rank and visualise the current state (“tilstand” in the final version of the ranking inserted below) between 1-5 according to the spider-web method:



*While working on the fact-sheets, we realise that the spider-web approach entails a risk of producing a compartmentalised analysis, i.e. we may end up with a better understanding of the current state in each dimension of the model, but will we understand how the components and sub-components are interconnected? In the company's SC team, we have to remind ourselves that the whole point of working with a holistic model of sustainable community development was that we believed that it had the potential for discovering new value opportunities and new ways of working. Based on the Sustainable Communities model, we make several attempts at developing supplementary tables and visualisations that will help us analyse and capture connections between the model components.*

**In February**, the SCA team is informed by a member of the SCA Steering Group from A that the presentation of the analysis to local politicians has been postponed as the idea of the annual planning seminar is not to “go into details” or make decisions. Instead, based on the preliminary analysis, the SCA team is asked to provide input to the following four priority areas for the municipal planning strategy that are to be discussed at the seminar: settlement, business, infrastructure and “welfare production,” i.e., among others, child care and elder care. In the SCA team, we start questioning how the report we are working on will be used and if it will be used at all in the political process. On the other hand, the SCA team is also informed that the management of A is working on implementing a new approach to making the municipal planning strategy. So far, this task has been anchored with the Technical and Environmental administration, but in the new approach, the planning strategy will be anchored with the management of A as a task that cuts across municipal departments. We are presented with a model where the planning strategy, the SCA collaboration and the green transition collaboration are pictured as interlinked parts of the planning strategy process with different time horizons. So, in contrast to the concern about ownership and usage of the analysis, we also receive signals that the management of A is “taking ownership” of the SCA project.

Being cost-conscious is a constant concern at Novo Nordisk, but in the first quarter of 2014, it is announced that Product Supply has to make significant cost cuts. In February there is a meeting in the Novo Nordisk Sustainable Community Steering Group. Responding to the request from the last Steering Group meeting in October, 2013, the project team argues that the SC project “contributes significantly”. This is demonstrated through four examples of value creation, including the SCA collaboration which is listed as providing value in terms of: “Novo Nordisk input to long-term priorities in A, e.g. education and sustainable resources management” and the spider-web methodology which provides value in terms of: “Well-defined and systematic methods and tools qualifies the local stakeholder dialogue and partnership process”. Nevertheless, the Steering Group agrees to close down the Sustainable Communities project within the year and to transfer activities from Product Supply to Corporate Sustainability in Corporate Stakeholder Engagement

*as this is “an integral part of TBL management that all production sites should work with”.*

**31 March**, the SCA coordination group has gathered the fact sheet teams in a workshop to discuss preliminary conclusions and scorings and interconnections before we submit the final mapping to the SCA Steering Group. There is some frustration that the coordination group has edited the fact sheets submitted by the working groups. As we in the SCA coordination group are supposed to compile the fact-sheets into a coherent mapping of the current state of A’s development, we have edited the drafts to ensure that they are more or less the same length and that there is a consistent focus on facts and the current state across the themes. Many groups have suggested solutions to the issues described in the fact sheets. We have filed these for later use, but deleted them from the fact-sheets. Further, we have deleted information that we assess as being too specific or too focused on special interests. For example, in the SCA group, we feel that the health fact sheet does not take a broad enough view on public health in A. It is too focused on how the municipality and Novo Nordisk may collaborate within the field of diabetes and employee health. The Novo Nordisk colleague who has worked on this fact-sheet in collaboration with health staff from A seems annoyed that the Novo Nordisk angle has been edited out of the fact sheet. “Excuse me, but why are we (Novo Nordisk) here at all?”, he asks. Both Novo Nordisk’s project manager and I feel urged to respond to this. We argue that it is important to first make a holistic mapping and then, based on the mapping, we can discuss where company and community interests intersect and how we can collaborate. By not taking our assumed shared interests for granted, we might learn new things and find new opportunities for collaboration we argue. We further say that it is important that SCA does not become a company project – the idea is to start a broad discussion and collaboration that is open to everyone.

The final hour of the workshop is dedicated to the question of connections. We divide the workshop participants into two groups. Each group has a large spider-web drawing on the table. They are asked to draw arrows between model components and focus on cause-connections, i.e. where the current state in one area is related to the current state in another. The group I am in is very engaged and draws a lot of arrows – it quickly moves from cause-connections to impact-connections and solutions and at some point they get frustrated that “it is all connected” – “we could draw arrows between everything!” Some areas are considered particularly central to the rest – demographic development and public administration and service. The same goes for transportation and infrastructure. The SCA working group member who moderates the workshop asks what the exercise was like. The “let’s go against silo thinking” is appreciated, but the groups also point out that it is difficult because it is all connected together. One of the members of the SCA working group says: “Maybe the key lesson is that there is no surprise in the connections – that it is easy to do this”. I get a bit frustrated with

*this discussion. It may be that everybody understands the connections, but do they really act accordingly? If we do not insist on this part of the analysis, I am concerned that we will end up with business as usual. The discussion continues over sandwiches. After the participants have left, the SCA coordination group has a quick chat about the connection exercise. A general comment is that it is difficult to avoid “getting into solution mode”. One of the team members from A says that maybe these people are so well aware of the issues and the connections that they see no point in focusing on this.*

*After the workshop, from Novo Nordisk we continue to highlight the importance of analysing connections and suggest conducting a cause-effect analysis. Our idea is to first make a cause-effect analysis for each theme and then make a cross-analysis to identify the “hot spots,” i.e. the heavy issues and root causes that affect the current state in more model components. We do not wish to let go of this part of the analysis and get quite stubborn when our team members from A challenge us on the added value of doing it – what will it contribute that we do not already know? The team members from A are concerned about the complexity of such an exercise and question what we will get out of it. We continue to maintain that attempting it will be worthwhile. I argue that it potentially is a way of breaking down compartmentalised thinking, avoiding standard solutions to standard problem definitions. We openly discuss the fact that we see this issue differently. We at Novo Nordisk see the problem analysis as a means of prioritising action. The A team argues for waiting for the political priorities before attempting to understand the causes. They are also concerned about the validity of a cause-effect analysis. Finally, there is a concern among the team members from A that the report, when presented to local politicians, will come across as a “this is how it is” report – as a final result. We compromise and decide not to include a cause-effect analysis in the report that will be presented to the politicians, but to use the cause-effect analysis as a basis for developing ideas for concrete partnership initiatives.*

***In April***, the draft spider-web analysis is presented to the SCA Steering Group including the proposed scoring. The Steering Group dismisses the attempt we have made to score the current state quantitatively. They think that the criteria entail the risk of making “one-dimensional assessments and solutions”. Further, the scoring criteria are different in that some use national targets as benchmarks while others use regional benchmarks. The SCA Steering Group also highlights the fact that, while we should finalise the analysis, the working group has to await the result of the political process before it proceeds with further activities.

***In May***, the SCA coordination group is asked to move our meetings from the development house to the new Town Hall of A. The management of A wishes to make “this type of development project” more visible. 9 May, when the mapping is almost complete, we evaluate the process in the SCA working group. Not surprisingly, it turns out that having been presented with the idea, A had internal

discussions about what SCA was, what it was supposed to do and what A wanted to get out of the collaboration. However, as one of the team members from A says with a smile: “when big brother knocks on your door, you rarely say no”. We also have an interesting discussion about the spider-web. The municipality team is surprised to learn that we in the company consider the model and approach to be under development, something we try out. They got the impression that it was a “not to be messed with” and fixed approach. This comes as a surprise to us as we believe that we have repeated exactly this point many times during the process. On the spider-web, we also learn from the lesson that tools and methodologies must support what the project is trying to achieve. Clearly, it did not facilitate a focus on connections between model components.

**Early June**, we submit the final spider-web analysis; or rather, this is not its official title. The report is entitled ‘Preliminary data report – mapping of the current state’. The report does not include a scoring of the current state as this was dismissed by the Steering Group. The discussion about connections ends with the inclusion of an introductory summary in the report. We divide this into social, economic and environmental challenges to soften the lines just a bit between the report chapters that otherwise go through each model component individually based on the fact sheets. We also make a summary model highlighting the “Key Challenges” in terms of sustainable community development to at least address the challenges in one picture. Identifying the key challenge within each component is difficult because it involves making a choice between the challenges identified in each of the 3 sub-components in the cases where these point in different directions. In the final editing of the report, we are asked to change the headline and phrasing of this model from “Key Challenges” to “Key Tasks”. The management of A finds it important to use more positive language that “can be acted upon moving forward”. So, “decreasing population and more elderly people” is changed to “promote a positive population development and composition”. “Low level of education” is changed to “increase education level” and so on.

**Later in June**, SCA is presented to local politicians by the management of A, but as none of the SCA coordination group members are present, we do not know how. With wishes for a “good and sustainable summer”, the SCA project coordinator sends a status to the SCA Steering Group on behalf of the coordination group. It includes an update on the political process stating that after the summer break “politicians will in connection with the municipal budget seminar have the possibility of including SCA and point to themes they wish to put a special focus on in the future process”. Further information on the political process will follow in October when the SCA Steering Group is scheduled to meet again.

**After the summer break 2014**, we enter what feels like a long phase in the SCA coordination team where we do not know what is going on or what to do about it. We have been told to “sit on our hands” and await the political process. However,

*as we are concerned about losing momentum, we still meet to discuss whether there is anything we can do to move the process forward. The SC Project Manager from Product Supply has been asked to prioritise other projects so it is primarily my colleague from Corporate Stakeholder Engagement and I who participate in the meetings.*

**Mid August** *one of the SCA coordination group members from A sends a mail to the company's SC team asking if we have any ideas for a potential collaboration between Novo Nordisk and A within public schools. Promotion of partnerships between public schools and local businesses is an initiative under a new national reform of public schools. In the company's SC group, we discuss whether we are by-passing the SCA process by engaging in specific ideas for collaboration before the broader, political dialogue has led to prioritisations. However, we conclude that the fact that something is happening while we are waiting for the broader dialogue to proceed does no harm. Together with colleagues from the local production site, we start brain-storming ideas for a potential public school partnership with A.*

**2 September**, *I represent Novo Nordisk in a workshop about the green transition project in A. SCA is mentioned several times in public by the management of A so I report back to the SC team in Novo Nordisk that SCA is still alive. This is also indicated in a meeting in the SCA coordination group on 11 September where the A team tells the Novo Nordisk team that they feel that SCA is on its way to becoming more firmly established in A.*

**Late September** *the SCA team meets with a Steering Group member from A to get an update on the political process. We are informed that the municipal council and the management of A appreciate the data report. We are also informed that the municipal economy is under pressure and that a series of analyses will be initiated across the municipality to identify ways of optimising work and saving costs. Potential ideas for the future role of the SCA are also discussed. One is to use the data report as background for the 11 analyses and other ongoing development activities in A "to facilitate cross-organisational thinking". Another idea is for SCA to facilitate and develop new projects that will not necessarily – or can not – be owned by the municipality. In this idea, SCA would function as a convener whereby the actors who have the competences and capacity to take the activity forward will be identified and gathered. A final idea is to establish a local SCA forum for dialogue and engagement regarding sustainable community development.*

**30 September**, *my colleague and I discuss these options with the head of Corporate Sustainability as we in the Corporate Sustainability team are to take over SC activities by the end of the year. We discuss that acting as a convener and facilitator would be a new role to take on in a local community context, but that it is not that different from the role we often take in diabetes partnerships. Further, it*

would offer an opportunity to experiment with new ways of partnering for intervention on the ground. Still, we are concerned that such a role may become “too political”. Finally, we are not sure whether it will be possible to give much priority to SCA in the future in terms of human resources. We have been asked to integrate the Sustainable Community concept into TBL management, but not to drive SCA forward. SCA is not a priority project in the Balanced Scorecard of Corporate Stakeholder Engagement or Corporate Sustainability. My manager is a nice person who encourages us to have “pet projects” besides our individual performance targets that might lead to something further down the line. It is not completely ruled out that my colleague and I may continue to work on SCA, but we are asked to “carefully consider how much time we invest in it”.

**1 October**, the SCA Steering Group meets. In the minutes it reads that the municipal council and the management of A are “very happy about the data report and appreciate the need to think long term”. The municipal board, however, finds it difficult to translate the analysis into concrete actions on the short term. In the planning strategy process, the municipal council and the management of A work with the four priority areas presented at the planning seminar in March as a starting point: settlement, business, infrastructure and welfare production. The minutes also mention the cost saving analysis and that it is an “obvious opportunity to incorporate the SCA 2025 approach in this work where relevant”. It further reads that the Steering Group “agreed that the SCA project, the coordination group and the Steering Group had served its purpose” and the coordination group is asked to make a proposal for future governance and anchorage of the SCA mindset to be discussed at the next Steering Group meeting in January 2015. In the following weeks and months, we discuss back and forth how to interpret the decisions made at the Steering Group meeting. On the one hand, the SCA organisation is seen as having “served its purpose” and seems to be closing down. On the other hand, a discussion about future governance and anchorage of SCA has been opened.

**10 November**, the Novo Nordisk SC Steering Group meets for the last time. The minutes state that “the Sustainable Communities initiative is no longer considered a NN project, it is considered part of operational TBL”. It is further specified that all production sites must use the Sustainable Communities model to analyse “the needed scope of TBL work in their community”. The responsibility for doing this and providing documentation that it is done lies with local site management. To initiate this new process, Corporate Sustainability is tasked with introducing the model to all production sites and to provide support upon request.

**In December**, we at Novo Nordisk inform the municipality that Novo Nordisk is willing to contribute to the public school collaboration provided the project is owned and operated by A and/or the schools and provided that more companies participate. Further, we suggest that SCA becomes a framework for this



*collaboration involving school kids in the discussion about sustainable development of A. To support this purpose, we propose that the sustainable community model, the spider-web and data report could be simplified and adapted for educational purposes.*

**2015**

**6 January**, the SCA coordination team meets at the Town Hall of A to discuss future governance and anchorage of SCA. At the beginning of the meeting, we are informed by municipality staff that the entire management of A is now “on board” the new cross-organisational planning strategy process, including the SCA project.

*After this meeting, I disembark the Sustainable Communities and the SCA partnerships. No further regular meetings are held in the SCA coordination group, but my colleague continues to support the process. Based on the regular e-mail updates that the group coordinator from A continues to send to the former SCA coordination group, I know that the SCA Steering Group meeting scheduled for 21 January in which the future governance and anchorage of SCA was supposed to be discussed has been postponed. I know that on **27 January**, the management of A has a meeting focusing on SCA and that they discuss how to involve the local politicians in SCA. In **March**, we are informed that the management of A, as part of the planning strategy work, has decided to arrange for an SCA workshop with the participation of local politicians and a broader group of local citizens, associations, institutions and businesses. In **June and July**, the data report is updated and laid out in a final version as part of the preparation for the workshop. In **August**, the three A staff members of the SCA coordination group present SCA to the political committees in A. **3<sup>rd</sup> September** close to 80 people participate in a workshop entitled “Sustainable A 2025”. The invitation carries the SCA logo that we have developed for the collaboration and is signed by the Mayor on behalf of the municipal council. It reads: “We would like to invite you to discuss the future sustainable development of A. At this workshop, you will be introduced to the key tasks that the municipality is facing towards 2025 and together we will look at what can be done to promote sustainable development. The themes discussed are for example, culture, business and jobs, transportation, health, education, cities and housing, nature and environment. The results of the workshop will provide input to the development strategy for A which will be formulated later this year. In addition, we hope that the workshop will inspire relevant collaborations and partnerships”.*

\*\*\*\*\*

And so ends one account of one particular partnership idea. The case and the valuing work described is analysed in the following chapter, but as a case of partnership formation and evolution in practice, it certainly confirms that partnerships and the problems or issues they supposedly address are not well

defined from the beginning. In chapter 2, partnership formation was, among others, described as an “emergent”, “informal” and “tacit” “pre-selection process” in advance of “organisational pairing” (Seitanidi et al. 2010, p. 141) and as a process consisting of the “interactive, iterative and cyclical” processes of issue crystallization, coalition building and purpose formulation or direction setting (Waddock, 1989). Purpose formulation and direction setting being a process that extends beyond the partnership formation into the following stages of implementation and institutionalisation that partnerships are typically conceptualised as evolving through. In the Sustainable Communities case, there is clearly a progression in the partnership, for example, when the idea is taken from “Novo Nordisk” and presented to municipality A and when the partnership with the municipality is approved by the Steering Group and agreed activities start being implemented. Furthermore, work is conducted, the aim of which is clearly to define the issue and formulate a partnership purpose. Still, it seems difficult to clearly distinguish the beginning and end of such processes or stages in the partnership. Rather, in line with how Dewey and Heuts and Mol describe valuation and valuing, the partnership process seems more accurately described as being characterised by *continuous doubt and uncertainty*. Arguably, in the Sustainable Communities case, doubt and uncertainty is even more prominent than in the other cases that I have studied, but in my analysis doubt and uncertainty are generally a key characteristic of “Novo Nordisk’s” partnership engagements, which I elaborate in the analysis of valuing work in the following chapter. In this connection, the Sustainable Communities story seems to indicate something quite striking about valuing in “Novo Nordisk”: that an activity may be initiated and progress despite substantial and continuous doubt about what it is good for. Finally, it indicates something that is perhaps less striking, but no less interesting; namely that partnerships may take unexpected turns, have unintended effects, change “owners” and morph into new forms and constellations.

## 6.4. SUMMARY

In this chapter, I explored the “social partnership” phenomenon in the context of “Novo Nordisk” as opposed to the “social partnership” theories presented in chapter 2. In the historic analysis, I found support for the resource dependence and social issues perspectives on partnership formation as partnering was introduced in the late 1990s in response to two developments: a growing call for cross-sector partnerships in the global health and sustainability communities and increasing distrust of the pharmaceutical industry. Exploring how partnerships are currently accounted for and practiced in Corporate Stakeholder Engagement (CSE), I could still trace resource dependence and social issues arguments, but more importantly, I gained insight into the multiplicity and particularity of “social partnerships” as they are enacted in the context of a company that assesses good and bad not in singular

economic terms, but according to four valuing registers. I found that partnership is loosely defined as a way of conducting various types of activities aimed at achieving “good relations” for the company ranging from public affairs meetings to public health interventions on the ground. Furthermore, I learned that partnerships are often initiated and funded by the company and build on existing relations and, in this sense, they appear to be neither particularly new nor particularly special in comparison with other types of inter-organisational relations. Based on social partnership managers’ accounts of the work involved in partnerships, I argued that partnerships may be viewed as sites of tension between the valuing registers that are enacted and combined in partnerships, which means that a typical partnership involves not one, but multiple problem definitions, corporate identities and measures of success. Another tension emerges between the practical definition of partnerships as a way of carrying out activities that the company can not do on its own and the ideal definition of partnerships that circulates in CSE in which good partnerships are considered to be particularly collaborative and change oriented endeavours. Finally, I presented a case of partnership evolution that, on the one hand, supported the ideas that social partnerships emerge (Seitanidi et al., 2010) and that issues crystallize (Waddock, 1989), but on the other hand, challenged the conceptualisation that social partnerships evolve through stages. Rather, in the Sustainable Communities case, the issue, rationale and the way of partnering was continuously in doubt, surrounded by uncertainty and subject to ongoing discussions in the company as well as in the partnership. With the multiplicity, tensions, doubt and uncertainty presented in this chapter in mind, in the following chapter, I analyse *how* partnerships are made worthwhile.

## CHAPTER 7. VALUING WORK

In this chapter, I examine the work involved in the performance of worthwhile partnerships. Building on the analytical framework developed in chapter 3, the objective is to identify and describe the activities and actors involved. Furthermore, building on chapter 5 and 6, I aim to analyse how tension within and between valuing registers and doubt and uncertainty is dealt with when valuing.

Inspired by the musical meaning of a valuing register, I argue that valuing partnerships involves two types of valuing work that I refer to as *pitching* and *tuning*.

When you pitch in music, you strike a tune in a certain register of notes. In other meanings of the word, pitching may also mean persuading, selling, moving or throwing (something out there). As I show in this chapter, in valuing partnerships, pitching involves the making and promotion of social value propositions and business case activity aiming to make decision makers buy into a partnership idea by agreeing to spend resources and time on it and/or signing an agreement. Quite literally, social value propositions and business case activities propose one or a certain combination of the valuing registers to comprise the evaluation range against which the worthwhileness of a specific partnership is assessed. As I discuss further in chapter 8, pitching is, therefore, related to assessment (Vatin, 2013), but it is also, I argue, a more forceful type of activity as it involves proposing and pushing certain assessment criteria and definitions of good and bad. In this sense, it is reminiscent of framing (Callon, 1998) and of the first step in a calculation process where the “entity being valued” is made distinct from other entities (Callon & Muniesa, 2005, p. 1231).

**pitch** verb (LEVEL): [T] to express or set something at a particular level: The tune was pitched (= the notes in it were) too high for me to reach the top notes. A teacher's got to pitch a lesson at the right level for the students.

**pitch** verb (PERSUADE): [I or T] MAINLY US to try to persuade someone to do something: She pitched her idea to me over a business lunch. They are pitching for business at the moment.

**pitch** verb (MOVE): [I or T, usually + adv/prep] to move or be moved suddenly, especially by throwing or being thrown: She pitched the stone into the river. The ball pitched (= landed) short. The bike hit a rut and I was pitched (forward) onto the road. The ship pitched up and down/from side to side in the rough seas.

<http://dictionary.cambridge.org/dictionary/english/pitch>

Tuning involves making slight changes to a musical instrument, a radio or an engine to make it sound or work better. When valuing partnerships, tuning involves making continuous adjustments to partnership ideas, value propositions and partnership activities to make the partnership resonate with decision makers to ensure their initial and continued commitment. In this understanding, there are two types of tuning. The first is directly related to pitching – tuning to persuade – i.e. making adjustments to initial partnership ideas and value propositions when these are not bought by decision makers on face value (which they rarely are). The second type of tuning is related to ensuring the continued commitment to and continuous improvement of the partnership after the initial investment and/or handshake has been made – tuning to persist and improve. It is in this type of tuning work that the partnership ideal I identified in the preceding chapter plays a central role as a valuing tool. As I return to in chapter 8, both types of tuning bears much resemblance to “caring” in the work of Heuts and Mol and the part of valuation that Vatin refers to as “valorising” (Vatin, 2013).

**tune verb [T] (INSTRUMENT):** to change a part of a musical instrument so that the instrument produces the correct sounds when played: Get into the habit of tuning your guitar every day before you practise. She tuned (up) her violin before the concert.

**tune verb [T] (RADIO):** to move the controls on a radio, television, etc. so that it receives programmes broadcast from a particular station: Press this button and the video will automatically tune itself to the next channel. His radio is constantly tuned to KROQ-FM, the local rock station.

**tune verb [T] (ENGINE):** to make slight changes to an engine so that it works as well as possible: The engine certainly needs tuning but there's nothing wrong with the car. Could you tune (up) the engine for me, please?

<http://dictionary.cambridge.org/dictionary/english/tune>

As the analysis will show, pitching and tuning can be hard to separate in practice; however, the main differences are that tuning typically, but not always, takes place after an idea has been pitched and typically involves close contact with the company's partners, whereas pitching is typically done inside the company.

The chapter is based on interviews with partnership managers in CSE, examples of diabetes partnership work and the Sustainable Communities case study introduced in chapter 6. In the following section, I first analyse pitching. Second, I analyse the tuning activity that is directly related to pitching. Third, I analyse tuning related to ensuring continuous commitment to and improvement in partnerships. Each of these sections begins with insights from the interviews with partnership managers in CSE and examples from diabetes partnerships followed by a more elaborate analysis of the particular type of valuing in the Sustainable Communities

partnership. In the final section, I draw my conclusions regarding valuing work. The research perspectives and practical implications of the study are discussed in chapter 8.

## 7.1. PITCHING PARTNERSHIPS

As exemplified by the Sustainable Communities process described in chapter 6, when partnerships are first formed, the rationale for engaging is rarely well-defined and is often surrounded by doubt and uncertainty. This is also the case in diabetes partnerships though some ideas seem to be more uncertain than others. When partnership managers in CSE were asked about how diabetes partnerships come about, responses varied. According to some accounts, partnerships occurred more or less by chance because “a colleague ran into to somebody” at a conference or on a business trip; or “they came knocking at our door at the right time”. In other partnerships, for example, the 40by20 partnerships, the rationale is less in doubt because they are initiated to “deliver” on a priority that is already established as important as it is included on the company Balanced Scorecard and reported on in the Annual Report. In the partnership managers’ accounts, however, most partnerships start with what they describe as a more or less loosely defined idea paraphrased as “here is an area or problem we should do something about”. “We thought it could be interesting....”, “It sounded exciting, but we didn’t know what we wanted” are typical phrases when the interviewees describe how partnership ideas originated. The idea “to do something” about women and diabetes is an example of an issue that had been “cooking for a while” before “Novo Nordisk,” in 2008, publicly committed itself to “changing diabetes for women in the developing world”. This commitment is part of the Danish Minister for Development Cooperation’s “Call to Action for leaders from around the world to help accelerate progress regarding the Millennium Development Goal 3 (MDG3): To empower women and promote gender equality.” Following this commitment, two partnerships are developed – the Changing Diabetes in Pregnancy programme, launched in 2009, and, Jom Mama, launched in 2013 (table 6.1). Another example is the idea to do something about “urban diabetes” which comes out of a discussion about how to strengthen the company’s position in the global public health debate. In an interview I conducted while the Cities Changing Diabetes programme was being developed, the partnership manager says: “nobody really knows what it (urban diabetes, ed.) is, but that is what we are trying to find out”.

Of the 11 diabetes partnerships covered in the interview study, the 40by20 partnerships can be directly linked to a target in the Balanced Scorecard at Executive Vice President level that is also a long-term social performance target in the company’s Annual Report. Cities Changing Diabetes is included on the list of prioritised Balanced Scorecard activities at the business area level (Marketing,

Medical Affairs and Stakeholder Engagement), while the remaining diabetes partnerships are prioritised at either the business unit level (Corporate Stakeholder Engagement) or only at the team or individual target levels. But how do partnerships move from being doubtful and uncertain ideas to being included on lists of activities worth spending company resources on? A critical element is to reduce doubt and uncertainty or at least give ideas the benefit of the doubt. In the interviews, the work that goes into turning ideas into prioritised activities is often referred to as a sales job aimed at “getting buy-in” from decision makers in the company by “making the business case” or the “value proposition”. Simultaneously, as alluded to above, the work is rarely conducted solely within the company. In some cases, partners approach “Novo Nordisk”, but in most cases, it is the other way around and getting buy-in from partners is included in the selling of partnership ideas. Based on the interviews and the observation of the Sustainable Communities project, I have distinguished two types of activity aimed at convincing decision makers in and outside the company that a partnership idea is worthwhile investing in.

One is related to making the case to decision makers in and outside the company for addressing a societal issue. In the following, I refer to this as the making and promotion of “social value propositions”. The other type of pitching is related to making the “business case” which, as the following illustrates, is not a “case” as such, but is rather an ongoing work process comprising a range of activities all aimed at securing buy-in to spend company time and money on a partnership idea.

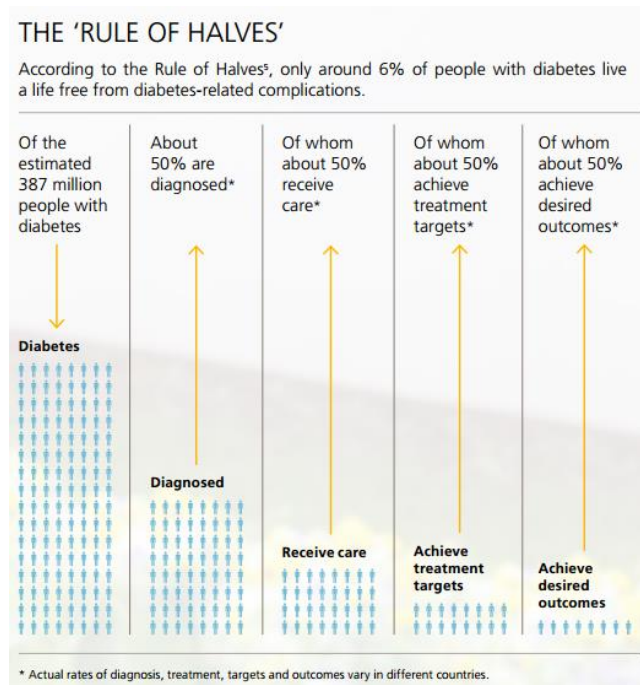
### 7.1.1. SOCIAL VALUE PROPOSITIONS

The examples of social value propositions that I analyse in this section take different approaches with regards to the rationale for social action. Some problematise the present, while others visualise a desired future and some combine the two. Irrespective of whether the focus is on problems or opportunities, however, they are all improvement proposals – proposals for betterment. Furthermore, what they have in common is that they seemingly strike a note in one of the valuing registers of “Novo Nordisk” enacting one range of good and bad and one version of the company and its reality. Finally, they are made by people that use them as tools in valuing work. However, as visual models and figures that articulate partnership rationales and often also point to particular ways of addressing problems, they are central actors in partnership activities that also act independently of people. In the following, I analyse two examples of social value propositions: The diabetes Rule of Halves (RoH) and – in more detail – the Sustainable Communities model.

### *The Diabetes Rule of Halves (RoH)*

One example of a social value proposition is the diabetes Rule of Halves which is a leading actor in most of the diabetes partnerships studied – and in Changing Diabetes activities in general. Here is an example of how it was presented in visuals and text in the Novo Nordisk Annual Report from 2014 in an article titled “The Challenge of Changing Diabetes”:

*Figure 7.1: The Diabetes Rule of Halves*



Text clippings:

### **THE CHALLENGE OF CHANGING DIABETES**

*387 million people in the world have diabetes today – a number predicted to grow to around 592 million by 2035. No wonder it has been called an emergency in slow motion.*

*It (The Rule of Halves) illustrates that only half of the many millions of people with diabetes have been diagnosed. Of those who are diagnosed, only half receive treatment from a qualified healthcare professional and, again, just half of these*



*people achieve their treatment targets. Yet it does not end there. Only half of this relatively small group actually achieve the desired outcome and live a life free from diabetes-related complications.*

.....

*Findings from a landmark study in the UK showed that reducing blood sugar levels by approximately 1% may reduce diabetes related deaths by more than 20% and reduce microvascular complications by nearly 40%. Microvascular complications include diabetic retinopathy, which causes more than 12,000 cases of blindness annually in the US alone.*

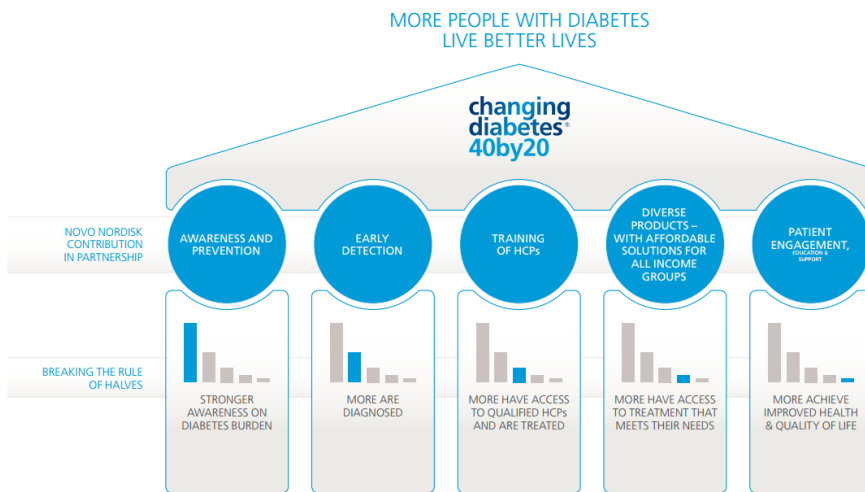
### **CANNOT BE IGNORED**

*In human as well as financial terms, the burden of diabetes is high, being a factor in 4.9 million deaths and accounting for some 612 billion US dollars in health spending (11% of the total spend worldwide) in 2014, according to the IDF (International Diabetes Federation, ed.). What all countries have in common is that the diabetes pandemic cannot be ignored. From both a human and economic perspective, it is important that countries have a plan to address their own Rule of Halves with a view to minimising both the personal strains and the financial burdens of diabetes. Novo Nordisk is working with governments and non-governmental organisations in many countries to help address these challenges” (Novo Nordisk Annual Report, 2014, p. 29).*

The Rule of Halves argues the case for joint action on diabetes in the change leadership register. In this register, diabetes is enacted as a personal and societal “burden”, “Novo Nordisk” is a change catalyst and a member of the global health community working with governments and NGOs to “help address the challenge” that “cannot be ignored”. People with diabetes, illustrated as the little men, are in focus in the diagram. The RoH problematises the present and future: Here is a personal and societal challenge that needs to be addressed by governments, NGOs and companies together. If joint action is not taken, this “emergency in slow motion” will only deteriorate. The “selling points” are the potential improvements and gains in human as well as financial terms. The value proposition included in the diagram concerns improvement in people’s lives: “Only around 6% of people with diabetes live a life free from diabetes-related complications”. In other words, only 8 of the 128 men in the picture have no complications from their disease – the value potential in terms of life improvement is huge. In the text below the diagram, we are informed that there is a value potential associated with avoidance of death as well. Diabetes was a factor in 4.9 million deaths in 2014, but reducing blood sugar levels by approximately 1% could reduce diabetes related deaths by more than 20% and reduce microvascular complications by nearly 40%. Finally, the text points to the potential financial gains of “changing diabetes”. It does not estimate how much

money can be saved, but it indicates that the diabetes burden is costly. Using death tolls and economic consequence, the RoH presents a strong value proposition and strong rationale for joint action on diabetes. Together, the health care community, including “Novo Nordisk”, can both improve and save lives and save money on health care budgets. The measure of success is social impact in terms of better lives and economic savings on societal health care budgets.

*Figure 7.2: The Rule of Halves as a framework for the 40by20 strategy (Novo Nordisk, 2013, Strategy for Global Access to Diabetes Care)*



As mentioned, the RoH is used across diabetes partnerships and other activities related to the Changing Diabetes commitment. In Cities Changing Diabetes, for example, one of the partnership activities is to make city based RoH studies. The RoH was also a central actor in the updated access to health strategy: 40by20. Figure 7.2 illustrates that the five priority areas of the 40by20 strategy aim at “breaking the rule of halves” by articulating action points for “Novo Nordisk’s contribution in partnerships” in relation to each of the five pillars.

As mentioned, the RoH activates the change leadership register; however, I argue that the success of a social value proposition in terms of convincing that a partnership idea is worthwhile pursuing depends on how well the pitch resonates with other valuing registers. In other words, whether it allows the peaceful co-existence of the valuing registers at “Novo Nordisk” and whatever valuing registers are highlighted by potential partners. In this light, I suggest that the widespread use of the RoH across “Novo Nordisk” as “the one rule we have to break” is related to the fact that it resonates quite well with the other valuing registers and allows room

for alternative usages and interpretations beyond the change leadership register. The RoH resonates in the responsibility & accountability register because it can also be used to enact “Novo Nordisk” as a responsible citizen concerned with the wellbeing of people and society at large. Furthermore, it resonates in both of the results registers as it addresses the “core business” – diabetes. In the profitability & market leadership register, the RoH can also be interpreted as presenting a huge market potential, while with regards to the science & innovation register, public affairs and market access professionals use the RoH to make the case for the unmet needs and the value of continued innovation as the example given above demonstrates (reducing blood sugar levels by approximately 1% may reduce diabetes related deaths by more than 20% and reduce microvascular complications by nearly 40%). Further, it communicates in a way that resonates well with both of the results registers: It is scientific<sup>19</sup> and evidence-based and it “speaks with data”. The RoH communicates the personal and societal burden through numbers and percentages – though people are in focus, the style is impersonal.

To ensure that the pitching of social value propositions is successful, partners have to buy into them as well. Enacting diabetes as a personal and societal challenge is greatly inspired by the work of patient organisations, diabetes professionals and diabetes associations around the world. Obviously, the RoH generally resonates well with diabetes partners though they rarely buy partnership ideas from “Novo Nordisk” at face value, but for other reasons, which I discuss in section 7.2. Furthermore, when pitching ideas to potential partners, a strength of the model is that it is not a “Novo Nordisk” invention, it has been authored by scientists that are independent of the company. Furthermore, the various national and local versions of the Rule of Halves that are produced in connection with diabetes partnerships always draw on data from outside the company, in most cases from the International Diabetes Federation. However, when it comes to pitching partnership ideas to partners that are not directly focused on diabetes, but more generally work within public health or other areas, the diabetes RoH is a less convincing actor. In section 7.2 on tuning activities that are related to pitching, I discuss examples of partnership ideas that have extended the scope beyond diabetes to include other chronic diseases in order to get specific partners on board. Furthermore, for some partners, the fact that the RoH starts with people with diabetes and excludes those that are potentially at risk of getting the disease is unpopular.

---

<sup>19</sup> The scientific sources that the company attributes the RoH to are: “Hart, J.T. Rule of Halves: implications of increasing diagnosis and reducing dropout for future workload and prescribing costs in primary care. *Br J Gen Pract.* 1992; 42(356):116–119, and Smith W. C. S., Lee A.J., Crombie I.K., Tunstall-Pedoe H. Control of blood pressure in Scotland: the rule of halves. *Br Med J.* 1990; 300:981–983”.

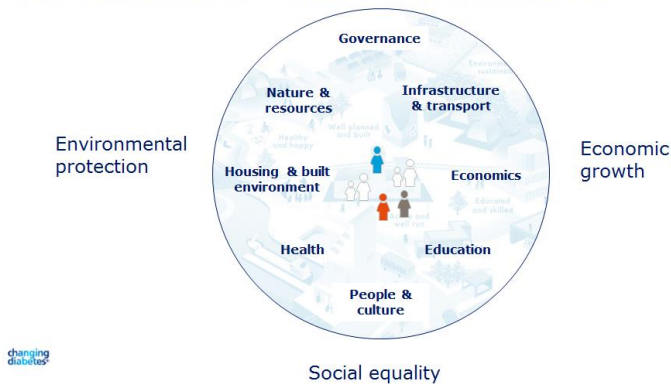
In the following section, I analyse the Sustainable Communities model introduced in chapter 6. As I was involved in making this model myself, this section sheds further light on how social value propositions are made and emphasises the point that social value propositions developed by “Novo Nordisk” are not accurate representations of real life issues. Rather, they reflect the valuing registers in the company – and tensions between them – resulting in carefully designed versions of “social issues” that attempt to facilitate peaceful co-existence with other valuing registers in the company, while simultaneously appealing to partners outside the company walls.

### *The Sustainable Communities model*

The final version of the Sustainable Communities model, which is presented below, is pitched in the responsibility & accountability register. As the model has an economic, environmental and social dimension, it is presented as a Triple Bottom Line-related partnership idea and enacts the company as a responsible local citizen that offers to collaborate to promote sustainable community development broadly and beyond its own self-interest.

*Figure 7.3: The final version of the Sustainable Communities model*

### **Our Sustainable Community framework**



The Sustainable Communities model is an example of a social value proposition that both attempts to paint a picture of an attractive future and problematises the

present. The positive images of an attractive future are presented in words (figure 7.4) as well as visuals (figure 7.5).

Figure 7.4: Sustainable Community in words

	A sustainable community is	Component	Sub-components
Environmental protection	<b>Vibrant and cohesive</b> with a diverse community life	People & culture	<ul style="list-style-type: none"> <li>Diversity &amp; demographics</li> <li>Community mind-set</li> <li>Culture &amp; sports</li> </ul>
	<b>Well run and inclusive</b> with active participation and efficient administration and services	Governance	<ul style="list-style-type: none"> <li>Policy making</li> <li>Public administration</li> <li>Public services</li> </ul>
	<b>Environmentally sustainable</b> in safeguarding nature and minimising resource consumption	Nature & resources	<ul style="list-style-type: none"> <li>Water &amp; energy (resource)</li> <li>Nature</li> <li>Waste</li> </ul>
	<b>Well planned and built</b> with quality housing and attractive urban spaces	Housing & built environment	<ul style="list-style-type: none"> <li>Urban environment</li> <li>Architecture &amp; design</li> <li>Planning</li> </ul>
Social equality	<b>Educated and skilled</b> with opportunities for life-long learning	Education	<ul style="list-style-type: none"> <li>Primary education</li> <li>Secondary education</li> <li>Higher education &amp; research</li> </ul>
	<b>Healthy and happy</b> with a safe and sound living environment and access to health care for all	Health	<ul style="list-style-type: none"> <li>Public health &amp; healthy living</li> <li>Health care</li> <li>Safety &amp; security</li> </ul>
Economic growth	<b>Thriving and growing</b> providing economic development opportunities	Economics	<ul style="list-style-type: none"> <li>Occupation</li> <li>Business</li> <li>Wealth &amp; equality</li> </ul>
	<b>Smartly connected</b> with efficient and sustainable infrastructure	Infrastructure & transport	<ul style="list-style-type: none"> <li>Energy, water &amp; sewage</li> <li>Internet &amp; IT</li> <li>Transportation</li> </ul>

Figure 7.5: Sustainable Community visual

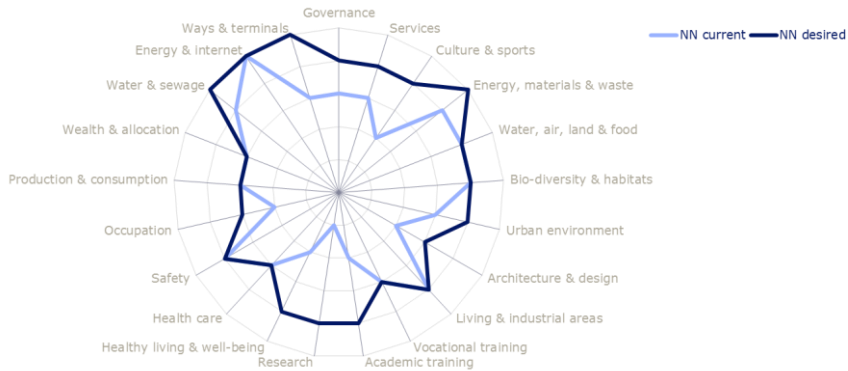


Where the Rule of Halves presents potential value in terms of the number of lives that can be improved and saved and potential cost savings in USD, the value

proposition of the Sustainable Communities model is a less concrete pitch that is articulated not in numbers and figures, but through positive phrases and images. “Economic growth”, “social equality” and “environmental protection” are desired states and the visualisation of a community that is “healthy and happy”, “thriving and growing”, “smartly connected,” etc. is intended to represent an attractive future.

To define the social value proposition more clearly, the Sustainable Community model includes a methodology for analysing the “room for improvement” which is defined as the difference between the “current” and “desired” state in a specific community. Figure 7.6 is a test version of the spider-web method where we in the company’s Sustainable Communities team attempted to rank, from the company’s point of view (“NN” in the figure), the current and desired state on a 1-5 scale in a local community of which we were all familiar.

*Figure 7.6: Spider-web: Problematising the present, prioritising the future (demo version)*



In summary, the Sustainable Communities model is not as clear a call for joint action as the diabetes RoH. Rather, it is more of an invitation from “Novo Nordisk” to local communities to make the value proposition together based on a certain definition of a desired community. In addition, it proposes a way of making this value proposition, namely the spider-web method which maps and ranks the issues and then makes a decision about a desired state. As introduced in the process story in chapter 6, it is far from coincidental that the Sustainable Communities model ended up the way it did.

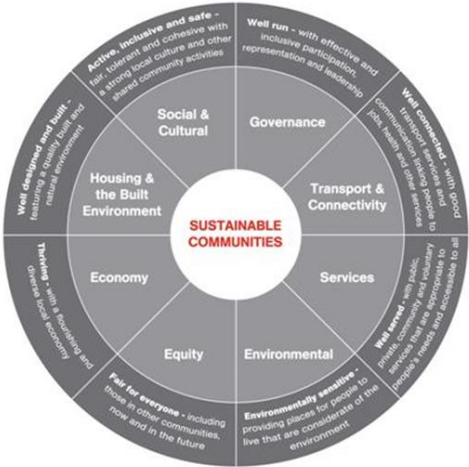
### *Making the Sustainable Communities model*

As you may recall from chapter 6, the Sustainable Communities model was not a first, but a second attempt at making a social value proposition for partnering regarding sustainable community development. The first proposal was to approach municipalities with an invitation to collaborate around the following three focus

areas: Environment, health (diabetes in particular) and education because this is where the value potential was considered to be the greatest. This proposal was made when the project was run by Product Supply following the Product Supply project management model. When the project management model was changed to an innovation process model and CSE staff joined the team with our ideas for “game-changing” partnerships, the Sustainable Communities model presented above was produced. This example underscores the point made in chapter 5 that though the valuing registers in “Novo Nordisk” are enacted and supported by particular departmental structures, cross-organisational management systems and types of work, they are not restricted to or by these associations. In the Sustainable Communities case, both the Product Supply and the Product Supply/CSE version of the social value proposition strike the note in the responsibility & accountability register to emphasise that this is “a TBL project” and add a touch of change leadership with the initial aspiration to “change the game”. What this example shows, however, is that different working units and different project management tools may enact the valuing registers in different ways. Hence, there is not only one version of TBL in “Novo Nordisk” and not only one version of a Sustainable Community social value proposition to be made. The particular department, the professions and the management tools which are involved in the making of social value propositions are important. As I elaborate in the section on business case activities below, the innovation project management model facilitates a social value proposition that takes a less focused and broader and longer term view on Sustainable Community development than the first version of the value proposition. However, we in the combined Product Supply and CSE team who developed the model are painfully aware that if the new social value proposition is to be bought by the project’s Steering Group including executives from both business units, it still needs to strike a tolerable balance between the good relations and good results registers. As described in chapter 6, the internal “challenge” meetings and conversations we have with colleagues as we develop the model serve as a constant reminder of the different valuing registers in the company and the tension between “changing the game” and “delivering quick wins”.

Where the Rule of Halves is directly attributed to scientific sources, the Sustainable Communities model picks and chooses from three different sources to make a “Novo Nordisk” definition that will resonate with the Sustainable Community project Steering Group. The three different sources that were mentioned in chapter 6 are pictured below. The first source is the so-called “Egan Wheel” developed in the UK in 2004, which we appreciate in the Sustainable Communities team because it builds on a definition that resonates with the Triple Bottom Line commitment.

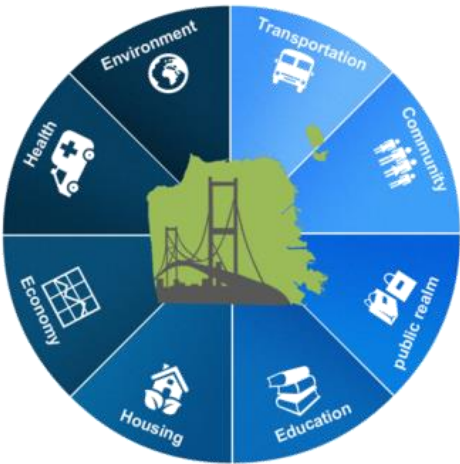
Figure 7.7: The “Egan Wheel”



Egan suggests that in order to be sustainable, “communities must make effective use of natural resources, enhance the environment, promote social cohesion and inclusion and strengthen economic prosperity” (Royal Geographic Society, 2016).

The second source of inspiration is The San Francisco Sustainable Communities Index, which we appreciate because it includes health as a separate dimension and because it includes inspiration for how to measure performance.

Figure 7.8: The San Francisco Sustainable Communities Index

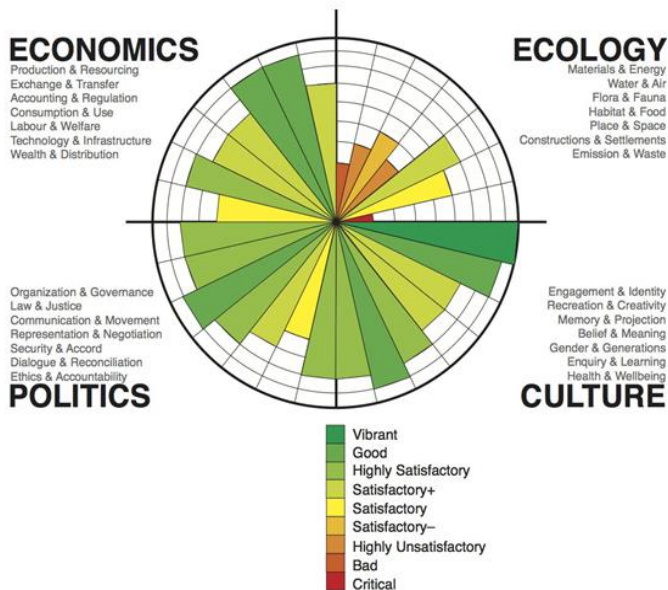




Finally, the ranking method included in the “Circles of Sustainability” approach from the UN Global Compact’s Cities Programme (figure 7.9) inspires the spider-web approach that is a selling point for decision makers at the company because it “speaks with data”.

The resulting model (figure 7.3) has borrowed the circular form and the ranking methodology, highlighted the Triple Bottom Line dimensions and chosen to make health a separate model component as it is in the San Francisco index, but not in the other two sources. As described in chapter 6, selecting from these models combines the valuing registers in a certain way. With its holistic definition of sustainable community development, the Egan Wheel resonates with the responsibility & accountability register as well as with the change leadership register. With its focus on health, the San Francisco index resonates with all the health care company’s registers, although a focus on diabetes would make it stronger in the results registers.

*Figure 7.9: The UN Global Compact’s Cities Programme: The Circles of Sustainability Approach*



Finally, the UN Global Compact’s Circles of Sustainability approach resonates in the good relations registers because the company is a long-standing member of the UN Global Compact, which is an organisation that the company generally considers to be an influential voice in the global sustainability community. Furthermore, the “Circles of Sustainability” model proposes working with sustainable community

development in an analytical and measurable way, which resembles the company's performance management approach and responds to the concern to "speak with data".

Despite some disagreement, the second version of the Sustainable Communities model is approved by the Steering Group with the comment that the company "should drive the broader agenda, but not all projects" and later, when the project is transferred from Product Supply to Corporate Stakeholder Engagement, it is agreed that all production sites should build their community engagement on the model. With these decisions, it may seem as if the holistic version of the social value proposition has triumphed over the focused version. However, it is worth noting that the first version of the social value case with the three focus areas continues to play an important role as the three focus areas of the first version proposition; environment, health and education are all included in the model as separate dimensions. In fact, in the first workshop we arrange with municipality A, the presentation which is given by the head of the local production site includes both value propositions. First, three separate slides articulate why "Novo Nordisk" sees value in collaborating on health, environment and education respectively, which is followed by a slide with the Sustainable Communities model and the spider-web approach. In other words, the Sustainable Communities model allows co-existence and multiple interpretations and usages in the same way that the diabetes Rule of Halves does.

As in the case of the Rule of Halves, however, the success of the model is not secured by achieving buy-in from decision makers in the company as it must also be sold to partners. How social partnership ideas and value propositions are tuned to achieve buy-in is analysed in section 7.2 in the case of the Sustainable Communities model. Further, with respect to pitching partnership ideas to decision makers in the company, the theme I turn to next is even more pertinent than the production of social value propositions. Though the social value propositions reflect the valuing registers in "Novo Nordisk" and as such can be argued to be part of what is referred to in the company as the "business case" for partnering, the work that goes into convincing decision makers in the company that a partnership engagement is worthwhile investing in is indeed a separate stream of work.

### **7.1.2. "BUSINESS CASING"**

When I asked the partnership managers in CSE about the "the business case" for partnering, they first mentioned the measures of success related to the different types of work involved in partnerships described in chapter 6, i.e. trust and reputation, influence on business conditions and a positive social impact on global health and sustainability challenges. When I prompted them to explain how these

measures contribute to good results as measured in the profitability & market leadership register, I was told that “at the end of the day,” engaging in partnerships is about gaining competitive advantage for the company.

But what is the link between trust and reputation, influence, social impact and competitive advantage? In the partnership managers’ accounts, the challenge of the “business case” for partnerships is exactly that this question is hard to answer in a convincing way, i.e. it can not be quantified, calculated or shown in graphs and figures, which is how results are usually convincingly presented in the good results registers. Re-emphasising the doubt and uncertainty in relation to partnerships, many interviewees refer to partnerships as “risky investments” that are carried out based on the hope or anticipation that they will pay off in the long term in terms of improved or easier access to markets. However, as expressed in the following excerpt, “there is no guarantee”:

“If we build relationships with them (Ministries of Health ed.).. if we manage to build trust with them, then we’re able to also build the market that we also want and that has proven right in a couple of instances.. I wouldn’t quantify it, I wouldn’t try to do that, but that’s what I hope.. we work out of a certain belief that this is the way it works, but it’s a long term adventure and there is no guarantee that it will happen, because obviously these people change, there are changes of administrations, and we put a lot of investment and sometimes it works, and sometimes it doesn’t so it’s also.. it’s filled with risk in a way...”

The uncertainty about the “business case” applies to all partnerships studied including the one example of a partnership that has a commercial target in terms of selling more insulin: The Base of the Pyramid project which was initiated by the innovation office in CSE and later linked to the 40by20 strategy. The objective of this partnership, which among others, establishes one-stop clinics for diabetes treatment in Africa, is to increase the number of patients that use insulin produced by the company. However, even in this case, the partnership manager emphasises that there is no guarantee that the company will benefit from the partnership: “...we are in a situation where we do something (establish clinics, ed. ) with a risk that they (hospital partners, ed.) may choose to buy something else. We hope that the partnership feeds a certain loyalty, but we can’t make it a condition that they buy our insulin”.

So, how do the social partnership managers in CSE approach the challenge of convincing decision makers in the company to make risky investments? In the following, I first present examples of such attempts based on CSE partnership managers’ accounts. Then, I analyse business case work in the Sustainable Communities project in greater detail.

### *Making the business case for diabetes partnerships*

Business case activity focuses on reducing the doubt and uncertainty surrounding partnerships and building the belief that partnerships will contribute to competitive advantage.

#### *Business case narratives*

One way of achieving this is to promote business case narratives that are ideas or hypotheses about how engagement in social change, i.e. addressing societal issues contributes to good results. In this respect, the co-existing business case narratives described in chapter 5 are activated, though they are not necessarily phrased in the exact same way as they are in corporate documents. In particular, two versions are mentioned in the interviews: The business support and the win-win (Shared Value) narrative.

*Figure 7.10 Business case narratives*

#### **Business support:**

Engaging in social change -> reputation and/or influence -> supportive business environment -> competitive advantage.

#### **Win-win:**

Engaging in social change -> social impact + competitive advantage

As an example, the mission of Corporate Stakeholder Engagement combines the “business support” narrative with the “win-win” narrative: “The mission of CSE is to create a supportive environment for people with diabetes and for Novo Nordisk”. Creating a “supportive environment” is the mission of the department, but the fact that the mission mentions both “Novo Nordisk” and people with diabetes is a translation of the win-win argument that it is possible to have a positive business impact while having a positive social impact. In other words, there is no trade-off between social impact and competitive advantage. In daily work, the business support narratives are used to justify the value of CSE’s work in the company. It articulates how CSE thinks and hopes that its work – often conducted through partnerships – contributes to good results.

As pointed out by Heuts and Mol (2013), there are ranges of good and bad within a valuing register and the above narratives seem to attempt to fix the assessment of the business case at a certain definition of the “business” and “the case” within the good results registers. In other words, they seek to promote alternative definitions of the “business case”. In both narratives, it is proposed that the proof of the

“business case,” – which in “Novo Nordisk’s” sales organisation would be measured in terms of a positive development in “profit, sales and/or market share” typically within a 1-2 year timeframe –, be assessed and measured in terms of the notion of “competitive advantage” in “the longer run”. As such, the narratives try to change the timeline for when value or success is to be achieved in the same way as the dominant business case narrative presented in chapter 5. In daily work, typical arguments in favour of partnerships and relations activities include that it will pay off in the “longer run”; that it contributes to “long-term business success”; that it involves “investing ahead of the curve” and that it “builds the market”.

Nevertheless, trying to change the assessment criteria is just one activity in business case work. The tendency of working with good relations in the same way as good results pointed out in chapter 5 is another prominent feature.

#### *Attempting to quantify and measure*

Despite hesitation to quantify value hypotheses due to the prevailing opinion that “it can not be done”, the analysis showed that, in practice, a significant amount of work goes into trying to quantify and measure trust, reputation, influence and social impact through Key Performance Indicators and different sorts of quantitative measures. This highlights the fact that setting targets and tracking performance is demanded by the company’s performance management system and the various project management templates which partnership managers must use when they present partnership proposals for funding. Examples of such measures include reputation increasing by # points in a reputation survey or that # number of Key Opinion Leaders attend a meeting and rank it above 3.8 in a meeting evaluation survey where 1 is poor and 5 excellent. Other examples could be that # number of countries adopt national diabetes plans within a specific time period following a regional diabetes leadership forum.

When the partnership managers talk about their work, they also reveal several design tricks that they seem to use to reduce the uncertainty of partnership ideas and increase their eligibility for company investment. Sometimes, these tricks are also described as responding to a known budget restraint “we have a limited budget so this is what we could do”.

#### *Designing for buy-in*

One design trick is to “start small” with a partnership activity that is limited both in terms of the number of partners and the time frame. Another trick, closely related to starting small, is to take a step-wise or phased approach to the partnership allowing adjustment of partnership objectives along the way. A third trick is to design partnerships so that they include highly visible events or other types of activities that are more likely to lead to “quick wins”. Typically, the Changing Diabetes

partnerships are kicked off by launches and executive hand-shakes covered by the media. As one partnership manager comments: “the most of the value and visibility (to the company, ed.) must be in the beginning”. A fourth way seems to be to make the partnership research-based. Arguably, conducting research is generally considered a way to reduce uncertainty and providing data-based evidence is a well-known characteristic of public affairs work in general. In this perspective, the question is whether the tendency to include research activities in partnerships is really a unique way of selling partnership ideas to decision makers in “Novo Nordisk”. Based on my analysis, I argue that it is. More than half of the diabetes partnerships in CSE include research activities and have academic or research organisations as lead partners. Based on this, I argue that including research activities in partnerships, in this case, is not only a safe way of starting a partnership when in doubt or a normal practice in public affairs. As described in chapter 5, research and science is highly valued in the company which makes science & innovation stand out as a valuing register in its own right. Therefore, I argue that for partnership managers in CSE, including research activities in partnership is also a case of qualifying partnership ideas in the science & innovation register. In Jom Mama, for example, which has a focus on diabetes prevention, the “business case” in terms of profit, sales and market leadership is questioned as it is in all partnerships analysed here. However, according to the partnership manager, the fact that the partnership is designed as a clinical study qualifies the partnership in other valuing registers: “what we have done is something that is very science based, something that is adding to the evidence, that is making sure that it’s clinically robust and scientifically strong so that we can advocate with evidence”.

Finally, as also pointed out by among other Waddock (1988), Rondinelli & London (2003) and Crosby & Bryson (2010), business case activities involve identifying allies in the company, i.e. decision makers that are willing to play along and “anchoring” partnerships with departments and people that believe in the idea.

### *Allies and anchoring*

In the following interview excerpt, a partnership manager is talking about finding new “believers” of a partnership at corporate, regional and affiliate level when the corporate level steering group, which initiated the partnership, decided to discontinue funding. The [...] are the names of executives in the different departments.

“You will always have people in the system that are believers and disbelievers.... and that’s where I think it was quite bold of [...] to fund it even though [...] was unwilling to fund it.. and then I think (the regional office) suddenly realised how projects like this can be very useful for market access and that’s when [...] came on board and decided to fund this project ..I worked towards a few champions and

then when the project came on the ground (at affiliate level)...then the job was to convince and make [...] the champion as well”.

The allies do not have to come from inside the company. Proposing a partner that is well-known and trusted in the company can be another selling point when pitching partnerships. I discuss the choice of partners in section 7.3 as this is also an important theme in tuning. In the following section, I analyse business case activities in the Sustainable Communities project.

### *The Sustainable Communities business case*

As highlighted in the process story in chapter 6, in the Sustainable Communities project the “business case” has been a tough nut to crack and a source of ongoing discussions in the company. The work that was involved in addressing this concern has many of the same characteristics as the business case activities described by diabetes partnership managers, but it also exhibits particular characteristics of valuing work. Further, it emphasises that business case work is ongoing as the company’s investment in the Sustainable Communities project and the Sustainable Communities partnership with municipality A is continuously being negotiated throughout the process. Above, I described how the Sustainable Communities model was designed to resonate in the results registers by, among others, including the spider-web approach and the focused social value proposition. In the following, I focus on the other business case activities that I have observed in the Sustainable Communities project.

### *The business case narrative: Shared Value hypothesis*

The hypothesis about the business value of the Sustainable Communities initiative is constructed through words as well as numbers. As a lead narrative in the project, the Project Mandate (figure 7.11) tries to do two things which are reminiscent of how the social value propositions described above either problematise the present or paint a desired picture of the future (the “Project Mandate” term stems from the project management template used in Product Supply which I analyse later in this section).

*Figure 7.11: Sustainable Communities Project Mandate*

### ***Project Mandate background chapter, August 2012:***

*For many years, Novo Nordisk has officially been committed to the Triple Bottom Line. This commitment has resulted in numerous initiatives supporting the social and environmental aspect of Novo Nordisk’s presence in the community.*

*Our hypothesis is that in the long term both societal and environmental requirements will increase to a level where initiatives led by individual companies will not be sufficient.*

*In order to develop a new standard for the industry, we must change the paradigm where both private companies and public authorities are driven by a self-centred focus to solve individual problems, and move into a collaborative commitment for the benefit of both Novo Nordisk and the communities in which we operate.*

*Thus, the purpose of this project is to invent a ‘sustainable community development concept’ and mechanism that creates value to our business as well as the communities in which we operate and takes cross-sector collaboration to the next level.*

*The communities will become more attractive places to live and work in while citizens will be healthier, e.g. fewer diabetes patients, better educated and will enjoy a cleaner environment, while at the same time, Novo Nordisk will increase employee well-being, get easier access to qualified staff and save costs by more efficient use of resources” .*

First, the project mandate performs “business as usual” as not being good enough in the long term. There is a need for enhanced collaboration between companies and communities. In the future, individual initiatives will not be “sufficient”. There is a need to change from “a self-centred focus” to a “collaborative commitment”. Second, it suggests the hypothesis that enhanced collaboration will create value for communities as well as the company – a win-win narrative that, in this case, is articulated as shared value or “value to the business and value to the community”. The potential value for the communities is the same as highlighted in the definition of a Sustainable Community described above: “attractive places to live and work in while citizens will be healthier, e.g. fewer diabetes patients, better educated and will enjoy a cleaner environment”. The hypothesis put forward is that this will also benefit “Novo Nordisk”, for example, through “increased employee well-being”, “easier access to qualified staff” and cost savings through “more efficient use of resources”.

The shared value hypotheses are further detailed in the concept presented to the company’s Steering Group in April 2013 which meticulously describes the potential “value to the community” and “value to Novo Nordisk” for each of the 21 sub-components in the Sustainable Communities model. For example, the hypothesised value to the community of collaborating around culture & sports is that a “variety of leisure activities increase Quality of Life and attracts new citizens,” while for the company the hypothesised value is that “vibrant community life increases Quality of life for local employees and attracts potential employees”. Figure 7.12 shows more examples of shared value hypotheses. Except for wealth and equality having a “potential positive impact on sales” and sustainable waste management “reducing costs” (not included in figure 7.12), the 21 hypotheses about value to the company



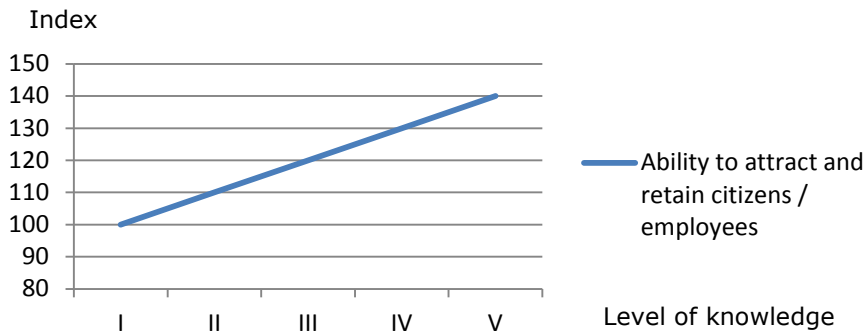
are all different variations of productivity arguments, for example, reduced absence, increased talent attraction and stable and efficient production flows.

*Figure 7.12: Shared Value hypotheses*

Component	Sub-component	Value to Community	Value to NN
Education	• Primary education	Training opportunities decreases unemployment and attracts investments.	Easier access to skilled staff.
	• Secondary education	Training opportunities decreases unemployment and attracts investments.	Easier access to skilled staff.
	• Higher education & research	Research activities attracts businesses and lays foundation for future growth.	Easier access to academic and research staff.
Health	• Public health & healthy living	Healthy living reduces health care costs.	Healthy employees increases productivity.
	• Health care	Access to quality health care increases QoL and citizen productivity.	Access to quality health care reduces absence related to sickness.
	• Safety & security	A safe living environment (e.g. crime, traffic) increases QoL and community attractiveness.	A safe living environment reduces absence related to local safety and security issues.
Economics	• Occupation	High employment rates contribute to economic growth and social stability.	Thriving communities improves access to local supplies and strengthens local workforce pool.
	• Business	Thriving local businesses strengthen community economy.	A strong local economy improves business environment.
	• Wealth & equality	Economic development opportunities for all increases social cohesion and life expectancy.	Economic development opportunities for all has a potential positive impact on sales.
Infrastructure & transport	• Energy, Water & sewage	Reliable energy and water supply and sanitation improve productivity, QoL and public health.	Reliable energy and water supply is a precondition for efficient production.
	• IT & Internet	Reliable IT systems and internet access increases productivity and QoL.	Reliable IT systems and internet access is a precondition for efficient production.
	• Transportation	A sufficient and efficient transportation infrastructure attracts businesses and citizens.	Sufficient and efficient transportation facilitates smooth commuting and flow of goods.

As mentioned, the value potential is also described through graphs and figures. Below is an example of one of the three figures included in the Sustainable Communities project description to illustrate the hypothesised correlation between community and company development in terms of environment, health and education. This illustration, which is not attributed to a specific source, illustrates how the project team pictured the assumed correlation and hypothesis that “increasing the level of knowledge in the community will increase the community’s ability to attract and retain citizens and the industry’s ability to attract and retain qualified employees. In the long term, it will also raise health and environmental awareness among the citizens”.

*Figure 7.13: Illustration of hypothesised correlation between level of knowledge in a local community and the company's ability to attract and retain qualified employees.*



It is difficult to assess which effect the above examples of value hypothesis have on investment decisions as they are but one of the activities in business case work. Further, in my experience from being involved in the work, a lot of it is guesswork. In a valuing perspective, however, I argue that what might look like more or less random guesswork is important because it seeks to reduce uncertainty about value and because it tries to promote a particular way of assessing the “business case” of a particular initiative. By arguing that in the future the company will need to collaborate more and make long lists of potential value, it attempts to convince that this initiative is not only needed, but that there is also a lot to gain from it. By ordering the lists in two columns “value to community” and “value to Novo Nordisk,” it further promotes the idea that the “business case” in this case should not be assessed in terms of profit, sales and market share, but on how well the activity enhances productivity while contributing positively to community development.

As in the case of diabetes partnerships, attempts to quantify and measure value are also part of the business case work in the Sustainable Communities project.

#### *Quantifying and measuring value*

The Project Mandate for the Sustainable Communities project includes proposed quantitative Key Performance Indicators within the three areas that were in focus at the time the project mandate was approved. Further, the document has an appendix with a long list of additional potential quantitative measures of “business value” as well as “community value” within each area.

*Figure 7.14: Proposed KPIs, Sustainable Communities (HbA1c is a measure of average blood sugar levels over a period)*

Focus area	Topic	Proposed KPIs	Target examples
Environment	Eco-efficiency	Water/energy consumption  Waste production	X% reduction
	Climate	CO <sub>2</sub> emission	Zero emission
Health	Public health	Diabetes prevalence  Average HbA1c level	<X%
	Workplace health	% absence	<X%
Knowledge	Talent attraction/retention	Retention rate  Wanted turnover rate	>X%  <X%
	Education / knowledge	% of population with more than 9 years of education	>X %

In continuation of the argument made above, the proposed KPIs strengthen the value hypotheses by signalling that it is possible to fit the activity into the company's performance management system, i.e. it is possible to measure whether the hypotheses are valid in the same way that sales and profit and other measures of value can be tracked.

As described earlier, in the Sustainable Communities project, the "business case" discussion is not only about the potential benefits that may results from the project, but also about the added value of initiating the activity and in relation to this the company's level of ambition regarding the project. A key argument in the Sustainable Communities pitch is that "business as usual" is not good enough. In other words, initiating the project will add value and even offer the opportunity to

“change the game”. Apart from the language in the Project Mandate (figure 7.11), business case work includes several benchmarking activities that supports the attention paid to comparing and ranking in the valuation literature.

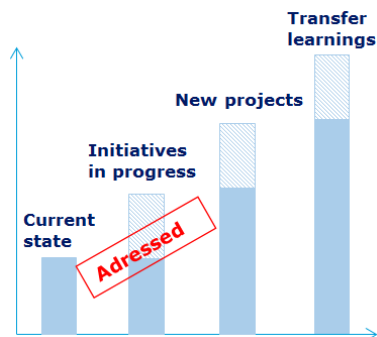
*Arguing the case for “added value” and setting direction through benchmarking*

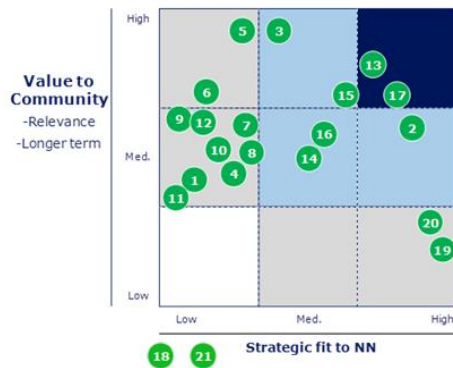
The benchmarking exercises in the Sustainable Communities project serve multiple purposes. They are used to distinguish the partnership from “business as usual”, establish metrics for measuring project progress and impact and to provide a basis for deciding “what to prioritise” and “where we want to go”.

A first example of benchmarking was conducted in the early idea development phase before I joined the team where a consultancy made an analysis of what other companies were doing in this area. They concluded that a number of companies were driving sustainability activities in communities across the world, but that “no one had yet created a holistic development concept for sustainable communities”. This analysis was used to argue that there was potential to demonstrate TBL leadership and develop a “game changing” initiative on sustainable community development.

Later in the project, the question of what the project adds and should add in comparison to “business as usual” takes centre stage. In the first example in figure 7.15, which is from the early days of the project, the potential added value – the “untapped potential” as it is often called in the company – is illustrated as the space in the columns that remains to be filled. The illustration argues that current initiatives fulfil a certain share of the value potential, but that there is more to be gained from adding new projects and transferring lessons learnt from production site to production site.

*Figure 7.15: Examples of “added value” argumentation*





In the second example, the project team has made a detailed mapping of existing community initiatives at a production site (which is what the numbers refer to) and assessed these in terms of value and relevance to the community in the long term and the strategic fit with Novo Nordisk. The idea of this exercise was to argue that there was an opportunity for adding value by having more activities in the upper right fields.

At the time I join the project team in connection with the re-organisation of the project, we engaged in additional benchmarking exercises aimed at arguing for “added value” and setting the direction of the project. One example is the “solutions scenarios” described in chapter 6 that we use to promote a decision about the level of ambition of the work we are conducting. In the isolated solutions scenario, knowledge, health and environment activities are separated and only create value for the company. In the aligned solutions scenario, the company’s activities are aligned with local community initiatives within the three focus areas, for example, through consortia. In the integrated solutions scenario, knowledge, health and environment initiatives are interconnected and these integrated solutions have the potential to be applied at a global scale. When presented with this framework, the Steering Group decides that the project should first and foremost aim for aligned solutions. Integrated solutions are considered an “added benefit” – i.e. a “nice to do”, but not a “need to do”.

Another example is that we prepare a set of qualitative project criteria to try to distinguish “Sustainable Community” activities from business as usual. These criteria are inspired by the shared value narrative and more specifically also the Blueprint for Change methodology presented in chapter 5 (maximise positive impact and minimise negative impact) and the transformational partnership ideal that I described in chapter 6.

*Figure 7.16: Sustainable Communities project criteria*

Appreciative	<p>Address key community challenges.</p> <p>Is based on a holistic analysis of the economic, social and environmental issues in the community and how Novo Nordisk impacts - or can impact – these.</p>
Value adding	<p>Add short term or long term value to both the community and Novo Nordisk.</p> <p>Maximise the company's positive impact or minimise its negative impact.</p>
Collaborative	<p>Are collaborative and inclusive leveraging core competencies of all partners.</p> <p>Involve those stakeholders that are affected by or affecting the project.</p> <p>Are organised in the way best suited to drive lasting change.</p>
Inspiring	<p>Search for lasting and scalable solutions that can inspire others to follow suit.</p> <p>Go to the roots of the problem – also when things get complicated.</p>

When these criteria are presented to and approved by the project Steering Group in April 2013 together with Sustainable Communities model, we include a slide on which existing activities are assessed against these criteria through the use of pie charts. The greater the blank space in the chart for each existing activity, the greater the value to be gained.

Again, it is impossible to tell what led to the approval of these criteria, but the examples show how valuing concretely attempts to reduce uncertainty – in this case concerning added value - and to introduce specific criteria for assessing good and bad. The question of the ambition level and work approach of the Sustainable Communities project, however, was far from dealt with by these project criteria. As described in chapter 6 and in the section above about the making of the Sustainable Communities model, the ambition level and the way to approach the project has been an ongoing point of tension. Moving the project around between business

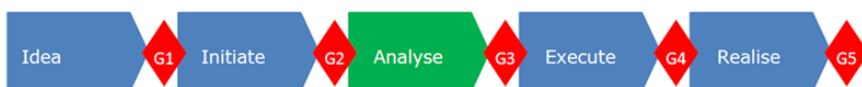
units and project management models has played an important role in dealing with this tension.

### *Allies and anchoring*

The Sustainable Communities project is first anchored in the Global Environment Health and Safety (GEHS) unit in Product Supply with the Head of Product Supply as a strong proponent of the project heading up the project Steering Group. The project is a “game changer” project in the company’s updated environmental strategy which is jointly owned by Product Supply and Corporate Stakeholder Engagement. As described in chapter 6, when the project concept was being developed it transpired that actors in Product Supply and Corporate Stakeholder Engagement had different ideas about the ambition level, the optimal way of approaching the project and how much time is reasonable to invest in a project before it delivers results. In the Project Charter approved in August 2012, this tension is addressed in a project risk assessment as a tension between delivering quick results and delivering an innovative solution. In the risk matrix, “difficulties of retaining internal and external stakeholders in the process” is ranked as the biggest risk in terms of likelihood and impact. The text elaborates: “Stakeholders might lose interest after a period, if no results are seen quickly”. The identified action is to “Ensure focus on quick wins and proper stakeholder commitment”. At the same time, “Not enough Game Changer of the concept” is listed as a highly likely risk assessed as having a medium impact on the project. The risk description goes: “It is expected to make a “new to the world concept, but the risk is that it will just be another “we’ve seen this before”. The action is to “ensure solid innovation process”. In practice, this “risk” is handled through a re-organisation of the project and a change of project management tools.

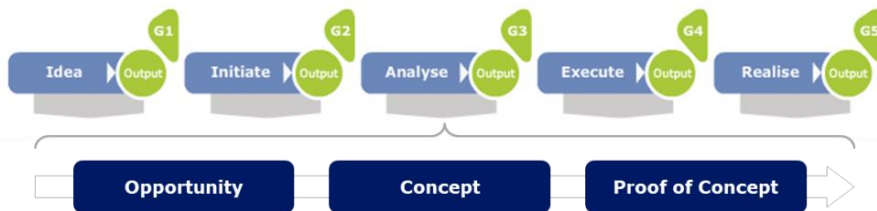
As a part of the Product Supply division, all projects in this part of the company are managed in accordance with the Product Supply Project Execution Model (PEM). PEM stipulates five project phases, each separated by “gates” (G1-G5) where a project Steering Group decides whether it is feasible to proceed to the next phase. As mentioned in the story in chapter 6, the fact that the model has these gates was one of the factors that led to the idea being tested in the first place despite considerable uncertainty. The decision gates offered opportunities to discontinue the project should it not deliver results.

*Figure 7.17: The PEM model*



By December 2012, the head of GEHS and the head of the innovation office in Corporate Stakeholder Engagement have negotiated an agreement that the PEM model will be supplemented by the Innovation Project Model (IPM) used by the innovation office and the project management team becomes a joint CSE/GEHS team as described in chapter 6. The IPM model has three phases: An opportunity phase with a focus on developing value hypotheses; a concept development phase with a focus on learning, testing and prototyping and finally; a proof of concept phase. Continuous iterations and learning loops are another key characteristic of this approach, which is not included in the PEM model. Figure 7.18 shows how the new project management approach was presented to the project Steering Group as a combination of the PEM and IPM models.

*Figure 7.18: PEM and IPM combined*



In practice, changing the project management approach changes the working conditions of the project – at least for a while. Concretely it buys the project six months extra time and additional human resources to explore and develop the Sustainable Communities model before the project again has to account for its results in order to pass through the gate between the analysis and execution phase in the PEM model.

As alluded to, the project management models are not the only allies involved in business case activities. Creating alliances with key decision makers is also an important part of valuing and the Sustainable Communities project manager invests time in meeting with the members of the Steering Group on an individual basis to discuss the project. When the initial proponent of the project, the head of Product Supply, is replaced in summer 2013, the project manager has succeeded in making more allies among project Steering Group members who advocate the continued support of the project. However, having allies is not enough in this case. Results still need to be delivered. By the end of 2014, another re-organisation of the project takes place. The steering group hands over the project to the Corporate Sustainability team in Corporate Stakeholder Engagement with the mandatory task of integrating the Sustainable Communities model and spider-web approach into TBL management for all production sites. In a musical sense, at this time in the process, the Sustainable Communities pitch does not resonate within the



profitability & market leadership register anymore and Product Supply decides to withdraw from the project. In the process of transferring the project from Product Supply to Corporate Sustainability, the Sustainable Communities initiative is redefined from being an innovative approach under the company's environmental strategy tested in a few production sites to Sustainable Communities being a mandatory part of "TBL management" at all production sites. Importantly, not only is the Sustainable Communities project redefined, but also "business as usual" as Sustainable Communities was not previously a mandatory part of community engagement work at the company's production sites. This resembles the case of the access to health strategy described in chapter 5 which was moved from the change leadership register to the profitability & market leadership register, but in the process also changed the profitability & market leadership register. In the process, access to health was redefined from a change leadership to a commercial activity which also involved a redefinition of commercial success through the addition of a new commitment to reach more patients with the company's products.

In sum, pitching the business case of the Sustainable Communities project has required a continuous effort involving the making and remaking of value narratives and hypotheses, quantitative performance indicators, benchmarking and direction setting activities, alliance building and the organisation and re-organisation of the project. In December 2015, the work is still continuing as Corporate Sustainability is in the process of finalising the team Balanced Scorecard targets for 2016. Integrating Sustainable Communities as a mandatory part of TBL management at production sites may have been decided by the project Steering Group, but it does not happen automatically. First, it needs to be included on the list of prioritised activities for 2016 to allow Corporate Sustainability staff to spend company resources on it.

The following section provides a brief summary of pitching before I move on to the analysis of tuning.

### **7.1.3. SUMMARY - PITCHING**

In this section, I have elaborated the two types of pitching activities found in the partnerships studied. The social value propositions were models of a problematic present and/or a desirable future used to convince decision makers in and outside the company to invest in partnering to address the problem or achieve the desired results. The analysis of the diabetes Rule of Halves and the Sustainable Community model showed that though they might resemble neutral representations of societal problems at a first glance, they were instead corporate definitions of "the social" that activated and combined the valuing registers of "Novo Nordisk" in a way that attempted to avoid tension between the registers. As such, these models, though

they focus on “social” problems outside the company gates, are part of pitching the “business case” for partnerships to decision makers in the company which is the other type of pitching analysed in this section. In contrast to the social value propositions, I did not find a one-page model or illustration of “the business case” for partnership. Rather, pitching the “business case” turned out to be ongoing process of “business casing” involving numerous narratives and numbers aimed at promoting alternative ways of assessing what “good business” is, while simultaneously trying to fit partnerships with the quantitative measurement imperative of the profitability & market leadership register. Liaising with allies, project management tools and people, and anchoring and re-anchoring projects in different business units and teams was another important part of business casing.

Whereas the business case “only” has to be bought by decision makers in the company, the social value propositions have to resonate with partners as well. As partners rarely buy such propositions at face value, it takes tuning and retuning to get the partners to sign a Memorandum of Understanding, which is the type of agreement that typically serves as the formal frame for social partnerships, or in other ways commit to partnership ideas. In the following, I analyse this initially through a few examples from diabetes partnerships and then through an analysis of how the Sustainable Communities idea was tuned to the priorities of municipality A in the SCA partnership.

## 7.2. TUNING TO PERSUADE

In CSE, tuning which is aimed at achieving partner commitment is often described as negotiating or defining a “shared goal”. In the interviews, the partnership managers describe different ways of tuning to persuade, i.e. reaching the point where all partners, company colleagues included, endorse the collaboration as worthwhile investing in with their signature.

### *“Give” and “take”*

The challenge of pitching a partnership idea depends on how firm the company’s initial idea is. In some cases, the pitch is not “just” an open call for joint action around the Rule of Halves. For example, the 40by20 strategy stipulates that the company should do more specifically with regards to the training of health care professionals. Other examples are the partnerships surrounding the Changing Diabetes Leadership Forums where the forum format was part of the initial pitch to potential partners. In these cases, agreeing on shared goals and activities is often described as a “negotiation” or a “give and take” process. As in a typical commercial negotiation, the outcome of such discussions is described as depending on how badly the partner wants or needs what the other party has to offer. As

mentioned in chapter 6, what “Novo Nordisk” is typically after from partners is expertise, legitimacy, outreach and/or local infrastructure. According to partnership managers, what partners typically want from “Novo Nordisk” is first and foremost funding, although meeting (communication) platforms, project management resources and new relationships are also listed as things that partners appreciate.

In the following citation, a partnership manager is talking about negotiations with a regional health organisation concerning a partnership in Latin America for the training of health care professionals (HCPs) in diabetes management. In this case, the partnership manager attempts to strike a compromise between poor and middle-income country sites to make the partnership worth pursuing for CSE, the local sales office as well as the health organisation (“they” in the citation below).

“They want to do more than HCP education, we just want to do the HCP education, okay can we compromise? Which country should we work on? They want to work on all these poor countries in Latin America, we are also interested in poor countries, but we like to get some middle, medium income countries included as well, so we discuss. It is a bit like a carpet vendor discussion. In the end, they got Bolivia and we got Columbia and we are all happy.”

As mentioned, another typical example of give and take is that public health agencies and NGOs often insist that diabetes partnerships are framed as being about Non Communicable Diseases (NCDs – cancer, cardiovascular disease, respiratory diseases and diabetes) and not only diabetes or that they address diabetes prevention as well. As I elaborate in section 7.3, CSE usually relents regarding this if getting the partner on board is considered important, but it does not come without internal fights because such demands from partners are in tension with the focus on diabetes in the profitability & market leadership register.

### *Aligning*

Another way to tune a partnership pitch so that it resonates better with partners is to align the idea with an existing priority in the partner organisation. In Copenhagen, for example, “Novo Nordisk’s” idea to do something about “urban diabetes” is aligned with the municipality’s priority to address health inequalities in the city. In this way, in the context of the Cities Changing Diabetes partnership in Copenhagen, “urban diabetes” has been translated into the challenge of doing something about health inequalities. Aligning with partners is also a prominent theme in the Sustainable Communities case.

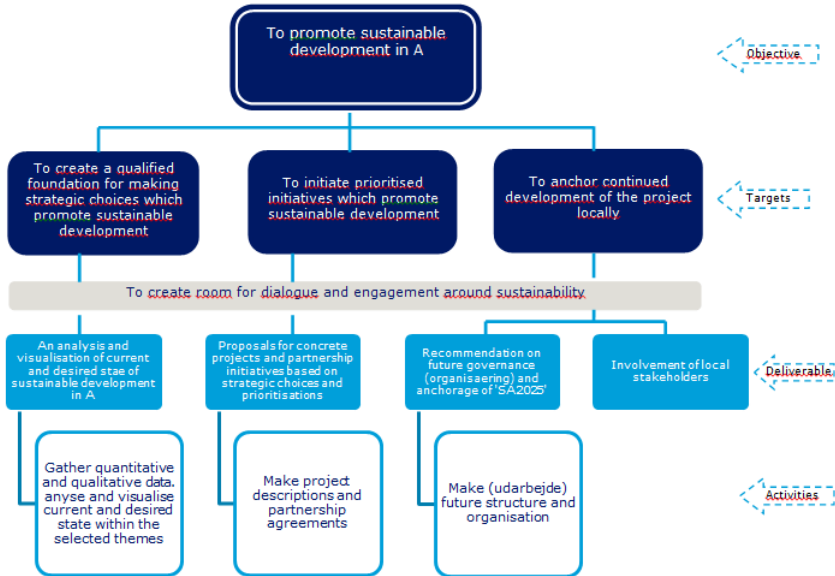
### **7.2.1. SUSTAINABLE COMMUNITIES A: FROM PROPOSITION TO APPROVAL**

In the Sustainable Communities case, the municipality's biggest workplace, "Novo Nordisk", attempts to sell a partnership idea to the municipality, which of course makes it relevant to question whether the pitch of the Sustainable Communities model is a sales situation at all. Bearing in mind that municipality staff say that "Novo Nordisk's importance for the municipality is indisputable" and comment that "when big brother knocks on your door, you don't say no" the Sustainable Communities idea is hardly the most difficult pitch for a partnership idea made by a corporation. Still, I am pretty convinced that the municipality did in fact have doubts about whether this idea was worth pursuing or not. At least, this is what municipality members of the SCA coordination group told us when we conducted the partnership evaluation and I do not see any reason not to believe them. But what really went on when the municipality decided to buy into this proposal, and whether it was an easy sell or not, I can only speculate about as I was not there.

Examining the project description that formed the basis of the formal decision to collaborate on the SCA partnership, however, provides several clues that aligning "Novo Nordisk" idea with existing priorities in A was crucial to achieving buy-in. The project description states: "The definition of desired state (the spider-web approach ed.) clearly has a political dimension and should, therefore, be seen in connection with council A's strategy for development of A". Hence, in the project description, the SCA partnership is aligned with the municipality's vision to "make A an attractive place to work and live", the planning strategy work of the municipality (the municipal plan) and also with the green transition partnership.

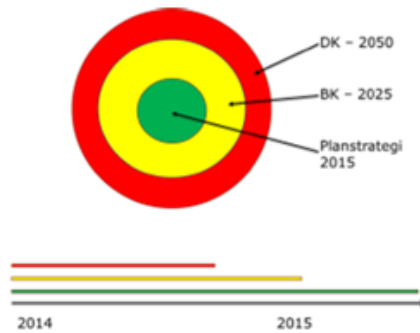
In the project description, SCA, together with the green transition partnership, is presented as "contributing valuable knowledge and new inspiration to the coming work with the municipal plan which is the council's strategy for the future development of A." Also, the level of commitment is loosely described as a "dialogue": "Novo Nordisk and A have initiated a dialogue aimed at making A a more sustainable and attractive place to live". Further, the approved project objectives (figure 7.19) and project plan specify that this first commitment to collaborate (made in November 2013) is to be reconsidered after 1.5 years, including the drafting of a recommendation for future governance.

Figure 7.19: Sustainable Communities A (SCA) project objectives approved November 2013



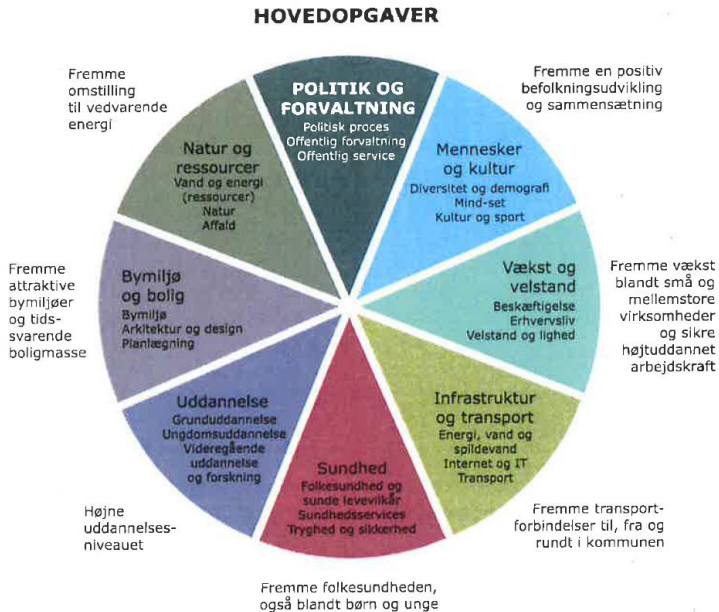
Concretely, the SCA project description is a commitment to conduct the spider-web analysis (analysis and visualisation of current and desired state) and to propose partnerships based on the priorities that the spider-web analysis is supposed to lead to. As the process story in chapter 6 illuminated, however, this does not mean that the social value proposition from “Novo Nordisk” is bought by A as it is. In fact, there is a lot of debate about the spider-web approach and during the process it is adjusted to address the concerns of the municipality regarding its use. One issue is that it problematises current development which, among others, results in the SCA Steering Group asking us to include existing actions in the data report and to change the wording from talking about the “challenges” to sustainable community to the “tasks” ahead. Another issue is that it implies that priorities for future development can be set based on a data report, which is not how the political process in the municipality works. Further, the SCA Steering Group dismisses the original idea of ranking the current state in quantitative terms. What it does mean, however, is that the Sustainable Communities model – though adjusted – is admitted into the local political scene and that it becomes an actor in the municipality’s planning work. Quite literally, it becomes a circle in the municipality’s model of how it approaches planning strategy and future development work (figure 7.20).

*Figure 7.20: A's model of the interplay between the municipal planning strategy (planstrategi 2015), SCA (BK 2025) and the green transition partnership (DK 2050).*



Later, the mapping which is the outcome of the spider-web analysis is updated and used in planning strategy. The key tasks identified and the model, with all its original components, is used to frame the “Sustainable A 2025” workshop that the Mayor and the municipal council hosts in September 2015 (figure 7.21). As a practical implication of this analysis, the case of the Sustainable Communities model calls for partnership managers to pay attention to social value propositions not only in terms of how effective they are in pitching partnership ideas, but also which effects they may have as they become independent actors in partnerships and partner organisations. I discuss this further in the following and in chapter 8 in connection with other practical implications of the analysis.

Figure 7.21: The Sustainable Communities model as it appears in material handed out at the “Sustainable A 2025” planning strategy workshop hosted by the Mayor and the municipal council in September 2015<sup>20</sup>



In summary, tuning to achieve buy-in may involve a give-and-take negotiation or the alignment of the social value proposition with priorities in partner organisations which involves making adjustments to the original proposition. As the following section expands upon, the signing of a partnership agreement, however, rarely means that buy-in is finally secured. In the following, I analyse the tuning that typically takes place in the process of implementing partnerships.

<sup>20</sup> In English, the headline *hovedopgaver* means key tasks. In the Danish version of the model Governance has been translated to *politik og forvaltning*, People & culture to *mennesker og kultur*, Economics to *vækst og velstand*, Infrastructure & transport to *infrastruktur og transport*, Health to *sundhed*, Education to *uddannelse*, Housing & built environment to *bymiljø og bolig*, and Nature & resources to *natur og ressourcer*.

### 7.3. TUNING TO PERSIST AND IMPROVE

For partnerships to persist, buy-in has to be maintained. Furthermore, when partnerships are worked with in practice, I have observed that partnership managers not only attempt to maintain buy-in, but also to continuously improve partnerships which is sometimes in tension with ensuring continuous buy-in from decision-makers. In this regard, the partnership ideal that I introduced in chapter 6 seems to play an important role as an evaluation tool which partnership managers use to assess the relative merits of partnerships and address tensions that are similar to those that were described as tensions between profit and people and “the walk and the talk” in chapter 5.

#### 7.3.1. THE PARTNERSHIP IDEAL

As an evaluation tool, the partnership ideal that circulates in CSE has two general themes (figure 7.22). One is connected to the relation, while the other is connected to the change potential of partnerships.

In terms of the relation, in the ideal version there is a high degree of sharing and collaboration. Partners share a joint goal, they work together, they learn together and they share responsibility, risks and benefits. In practice, however, in the partnership managers’ accounts, some partners are typically more active than others. “The worst” is when a partner is passive and “just delivers their logo” or when, in the partnership managers’ accounts and experience, a partner regards “Novo Nordisk” as a sponsor and “just wants our money”. As “Novo Nordisk” is often the initiator of partnerships, getting partners “to take ownership” is a key challenge that the partnership managers address. Another challenge is related to partnership roles. The interviews include several annoyed accounts of partnership managers feeling as like they have been approached as “money machines” or “rich capitalists” who have nothing to contribute to a partnership besides money. This shows that the role or corporate identity that the company pitches does not necessarily resonate with partner organisations. Paraphrased: “You may present yourself as a change catalyst and diabetes advocate, but to us you are a company that sells drugs and makes a lot of money from doing that”. Other examples of challenges related to role definition comes about when the company pitches a partnership idea that is closely related to the “job” of a partner organisation, for example, the idea to arrange a political dialogue meeting on diabetes or the idea to do something about sustainable community development. Equality between partners and equal influence and access to information is also highlighted as an important quality of a “true” partnership. In interviews, however, equality is often described as an illusion because “Novo Nordisk” is often the initiator of activities,



in charge of project management and the lead contributor in financial terms. In addition, when more partners are involved, the contractual relations between them may differ. One partner may carry out research or training that is paid for by “Novo Nordisk”. Because money is involved, such agreements are covered by separate contracts. Other partners may be committed through a Memorandum of Understanding with no money involved. The different types of contracts involved challenge the sharing of information in partnerships. Should all partners, for example, be informed about the fee paid to a partner for a consultancy service in connection with the partnership?

Ideally, partnerships are non-commercial collaborations where the societal cause receives top priority. Hence, being self-serving is bad. This criterion is in tension with the results registers where doing well for yourself is a good thing. So the valuing task in this regard is to tune partnerships so that they are not assessed as self-serving, while still maintaining the company’s commitment to support them. Finally, in the ideal partnership register, a good partnership is open and inclusive, but this is another challenge for the partnership managers. In the Diabetes Leadership Forums, “Novo Nordisk” is often challenged by partners to invite the company’s “direct” competitors to participate in the discussion. When it comes to the discussion about competitors as potential partners, this is a point where the partnership ideal is in direct conflict with the profitability & market leadership register. In other words, the “business case” is significantly challenged. A related discussion is the company’s tendency to “go solo”. At the time when the company decided to launch the Changing Diabetes in Children initiative, IDF launched a similar initiative which prompted some stakeholder to question why “Novo Nordisk” had made its own programme instead of engaging in the IDF initiative.

In terms of change potential, I mentioned in chapter 6 that many partnership managers in CSE are inspired by the idea of “transformational partnerships” (UN Global Compact, 2011). The ideal resonates well in the change leadership register, but it is in tension with the profitability & market leadership register that generally measures success in terms of results on a shorter term horizon, which was also clearly a point of tension in the Sustainable Communities approach discussed above. Another key discussion point in relation to the change potential is the choice of partners. Proponents of transformational partnerships often suggest that if “Novo Nordisk” truly wishes to “change the game,” it should engage in partnerships with the food and beverage industry to prevent type 2 diabetes. This particular idea circulates in CSE as the lead example of the transformational partnership ideal. So far, the company has been reluctant to partner with the food and beverage industry regarding prevention though many CSE employees express their belief that a change catalyst ought to do this. In a similar vein, other partnership managers think that the company should also be more open to “trying out” new types of partners seen from a systemic perspective and not just partner with the “usual suspects” such as diabetes associations and research institutions. As mentioned, the ideal of long

term partnerships for long term impact is also challenged by the time horizons that prevail in “Novo Nordisk” enacted through budget cycles, performance management systems and project management tools. As described in the section about pitching above, many partnership ideas are pitched as projects managed according to the company’s project management approaches with strict timelines and focus on deliverables such as the PEM example above. This is a selling point in making the business case for the partnership, but it is challenging when the partnership starts to roll. As put by one partnership manager: “We are running a public health project with NN milestones. That’s a huge challenge. Our academic and government partners don’t subscribe to NN timelines”.

Figure 7.22 summarises the ideal and the points of tensions in relation to the results registers. The work carried out to improve partnerships against the ideal and to deal with tensions is elaborated below.

*Figure 7.22: The partnership ideal*

Good partnership registers	Good partnership	Bad partnership	Points of tension
<b>Relation:</b>  Collaboration, equality, individual vs collective interest and openness.	Equal sharing of roles, resources, responsibilities, risks, benefits & information.  Not self-serving.  Open and inclusive.	Limited collaboration (just transfer of funds) and unequal relation.  Self-serving.  Closed.	Influence and competitive advantage.
<b>Change potential:</b>  Innovation and time horizon.	Long-term, patient.  Potential to transform society, drive lasting change, scalable.	Short term, impatient.  Limited change. Maintaining business as usual.	Delivering results short term / quick wins.

None of the partnerships studied are described as good on all dimensions and when partnership managers discuss the goods and bads of a partnership they seem to add it all up and assess partnerships not only according to each dimension, but across dimensions. The logic seems to be that the better a partnership is in terms of the specific concerns in the partnership ideal, and the more concerns that it is as good as possible in relation to, the better it generally is. A bad assessment in one partnership register may be compensated by a better assessment in another.

Furthermore, as the following analysis of tuning shows, equality, openness, innovation and the other concerns in the partnership ideal are not fixed categories. Tuning continuously qualifies and re-qualifies these terms.

### **7.3.2. TUNING DIABETES PARTNERSHIPS TO PERSIST AND BE BETTER**

Faced with the challenges of improving the partnership relation against the ideal, the diabetes partnership managers mention several things – often small things – they do to try to improve the relation and the innovation potential, while simultaneously tackling the tensions with the valuing registers of “Novo Nordisk”.

#### *Tuning the relation*

In terms of tuning collaboration in cases where partnership roles are unclear, one way of addressing this is to negotiate and specify different roles in the partnership. For example, in some partnerships, there are “lead partners” and “supporting partners” indicating that some are more involved in the collaboration than others. In the European Diabetes Leadership Forum held in 2011, which was a partnership idea pitched by “Novo Nordisk”, the final definition of roles specified that the OECD and the Danish Diabetes Association were the “hosts” of the forum while “Novo Nordisk” was the “supporter”. In addition, the official forum material listed a range of organisations that were involved as either “partners” or “endorsers”.

Another way of improving the collaboration, which also has a focus on improving equality, is to define the resources that partners contribute to the collaboration as more than money. In the following quote, a partnership manager is talking about how he tries to increase partners’ involvement in partnerships: “We also try to get .... our partners to bring something whatever this is, it doesn’t need to be counted in millions of dollars, it can be some of their time, some of their expertise, some of their HR (human resource, ed.) and so on... it can be as simple as let’s do the meetings at your headquarters”.

A third way to improve collaboration and equality is obviously to involve partners in decision-making through partnership governance bodies or Steering Groups or through day-to-day consultation on partnership activities. In this connection, the project management role is a key concern. In the i3 partnership and the SCA partnership, the project management responsibility is given to an employee from a partner organisation while in the Changing Diabetes Leadership Forums and Cities Changing Diabetes, employees of partner organisations are appointed responsible for one or more work streams in the partnership. In most cases, however, it is a “Novo Nordisk” employee who coordinates the partnership on behalf of all

partners. When I ask why this is the case, the general answer is that other partners typically have limited human resources and that “efficient project management” – getting things done – is one of the core competences that “Novo Nordisk” brings to partnerships. To deal with the tension that this provides in terms of collaboration and equality, the partnership managers consult partners in various ways though they express concern about how to assess the appropriate level of consultation in their accounts. In the following quote, a partnership manager is reflecting on his practice of sending partnership communication material (produced and paid by the company) to all partners and asking for their opinion: “They have not objected, but does that mean that they don’t care or is it because they think it’s just fine? - that is hard to know”. He does not mention the option that the partners do not object because they do not feel that they are in a position to express their opinion because “Novo Nordisk” is paying for the material. But that is just my speculation on another potential reason. None of us knows why, which is another element of uncertainty in partnership work. Some partnership managers, on the other hand, express that there is also a limit to the level of consultation and the attempts at evening out power imbalances when “Novo Nordisk” is the partner that pays for most of activities and does most of the work: “There must be some degree of... if we contribute two-thirds or three-quarters of the resources in every possible way then we must kind of also have the last say”<sup>21</sup> .

Finally, another widespread approach to equalising power imbalances seems to involve holding most meetings on the partners’ premises. As one partnership manager puts it “We want to show that we are coming to them and that it should not be them that are seeking audience with the posh, big capitalist in Bagsværd”<sup>22</sup>.

### *Self-interest*

In terms of tuning the degree of self-interestedness in partnerships, examples of this have already been described in section 7.1 and 7.2 as adjusting the business focus of a partnership is sometimes critical for getting the company and partners to commit to collaborate in the first place. But tuning the business focus also takes place after this point, most prominently in discussions about naming and branding the

---

<sup>21</sup> Translated from the Danish: ”Der må være en eller anden grad af, hvis vi lægger to tredjedel eller tre fjerde af ressourcerne på alle leder og kanter, så må vi ligesom også have the last say”.

<sup>22</sup> Translated from the Danish: “..vi gerne vil vise, at vi kommer til dem og det skal ikke være dem der sådan kommer i audiens hos den fine store kapitalist ude i Bagsværd”.

partnership activities. One partnership manager talks about a branding and logo scale that he uses in discussions about the degree of company branding of partnerships. At the one end of this scale is what he refers to as a commercial partnership including product promotion, while at the other end are partnerships that make no mention of the company or its brand Changing Diabetes in its title, for example, Jom Mama and i3. The partnerships that are branded Changing Diabetes are described as being “around the middle of the scale” – they do not promote the company’s products, i.e. they are enacted as “non-commercial” or “non-product related”, but they promote the company. In one example of a Diabetes Leadership Forum, the commercial departments in the company initially wanted the forum to be branded as a Changing Diabetes Leadership Forum, but this was a no-go for the partners involved so the forum material ended up carrying the “Unite for Diabetes” logo, which is a logo for a campaign headed by the International Diabetes Federation (IDF) combined with a discrete company logo in the corner.

It would perhaps be tempting to assume that the partnerships that are branded Changing Diabetes are those with the strongest business cases or, at least, the least weak cases. However, this is not necessarily the case for various reasons. In some cases, partners reject the use of the company logo and brand in partnerships that clearly support the business, for example, the leadership forums. In other cases, partnerships with seemingly low commercial value are branded. Changing Diabetes in Children is an example of what in the company is described as “a philanthropic partnership with no business case” - it involves costs even as insulin is given away for free. In this case, it seems that giving it the Changing Diabetes brand is a way of improving its value from nothing to at least increasing the likelihood that the company will gain reputational points from the investment. Both cases indicate, however, that company branding is a way of improving the value of a partnership in the good results registers, though the company may not always succeed in convincing partners to accept this. But with regards to the diabetes partnerships that do not include Changing Diabetes in their title; was this decision made because the partners argued against inclusion? Not only. The examples of Jom Mama and i3 indicate that other considerations are involved related to improving partnerships in the good relations registers and against the partnership ideal. Jom Mama is implemented on the ground in Malaysia and has been given a Malaysian name to resonate with the local context. The same applies to i3 where all partners agreed that a neutral name that did not specifically promote the partners behind it would enhance the credibility of the initiative. Not mentioning the Changing Diabetes brand or the company logo in a partnership may also be a way of increasing the likelihood of the partnership being successful in the good relations registers in terms of social impact, influence and reputation and trust. Another feature of the non-branded partnerships is that there is potentially less reputational risk involved if the partnership fails in one way or another. In this interpretation, decisions not to brand partnerships may also be a way of reducing uncertainty and allowing experimentation.

### *Openness*

The issue of self-interestedness is closely related to openness. When it comes to the issue of the openness of diabetes partnerships, in particular towards direct competitors, tuning is defensive because so far corporate decision makers have taken a strong stand on not partnering with direct competitors, though partners have often suggested that the company should do this and, in some cases, have left potential collaborations because of this issue. What partnership managers seem to do when faced with such a clear case of tension between good relations, good results and ideal partnerships is they try to find convincing arguments to justify the company's position, though they are not always convinced themselves about the arguments. The lead argument for not working with direct competitors is complementarity, which is supported by several of the external partnership standards that inform the partnership ideal and the company's partnership principles. In the complementarity argument, there is no need to have more than one insulin producer involved in a partnership, i.e. "competitors do not bring anything to the table that we don't bring". According to the partnership manager, the company's decision to make its own programme for children with type 1 diabetes and not join IDF's initiative has also called for justification. In this case, the lead argument used is that the company's children's programme promotes the long term sustainability of the partnership intervention making reference to best practice within international development. In other words, arguments are carefully selected and attempts are made to strengthen them by making reference to what is considered best practice among the stakeholder groups that are critical of the company's position regarding the involvement of competitors and its tendency to "go solo".

In the following, I turn to tuning the change potential of partnerships.

### *Tuning change potential*

Tuning the time horizon and change potential of diabetes partnerships involves both design and defence activities. Changing Diabetes in Children is an example of a partnership that has been designed to last for the long term. It includes the establishment of diabetes clinics, the production of training manuals for health care staff, while all the country level partnerships have plans to ensure that the activities become self-sustaining once "Novo Nordisk" pulls out. At the other end of this register are short term partnerships, e.g. the Diabetes Leadership Forums. To improve their worth in terms of time horizon and change potential, one of the activities included in the forums is the production of an outcome document, often called a roadmap. Such roadmaps are typically drafted in collaboration between lead partners in preparation for the forum. After the forum, key points and conclusions from the dialogue are added and the outcome document is then distributed and communicated to partners and participants as a joint, forward-

looking statement. Such statements are compromises between the partner organisations and they often come with a disclaimer that none of the partners can be held individually responsible for the text. In this sense, their long term impact may be questioned, but that is not the key point here. The point is that the mere fact that this activity is included and that the roadmaps are produced and communicated is valuing work that improves the forum partnerships in the good relations and good partnership registers by qualifying them as more than just one-off lobbying activities.

Another example of the tuning of diabetes leadership forums to improve their time horizon and change potential is to add follow-up activities. For example, the European Leadership Forum held in 2012 was followed by a new European Leadership Forum held in 2014.

As mentioned in the section about business casing, designing partnerships to start small or taking a step-by-step approach is a way of achieving buy-in for activities in the first place and sometimes also a reflection of budget restraints. This is in tension with the ideal partnership as a long term commitment with long term impact. The way the partnership managers cope with this is to position short term partnership activities as “important steps on the way” and design the short term activities with a view to enhancing the likelihood of the activity contributing to longer term change. In the following example, a partnership manager is talking about how an idea to scale a local diabetes partnership to more countries was adjusted to make a case publication about the partnership used to advocate and inspire others to do similar initiatives.

“Our original idea was to make a sort of replication model right and because we don’t have the money to do that we have now changed it to collecting this experience and using it as an advocacy tool so we can say: We have something here which is interesting and which will pay off from a health economic perspective in any other city in the world....like catalysing some more interest and perhaps make others take a similar initiative instead of the experience just staying with us”<sup>23</sup>

---

<sup>23</sup> Translated from the Danish: “Det var vores første tanke, at vi skulle lave sådan en replication model ikk, og fordi vi ikke har penge til at gøre det, så har vi så ligesom nu ændret det til at vi opsamler de her erfaringer og så bruger vi det som en advocacy tool, så man faktisk kan sige, vi har noget her som er interessant, som fra et health economic perspective kan betale sig i enhver by i verden, ... ligesom at katalysere noget mere interesse måske få nogen andre til at tage et lignende initiativ i stedet for, at det ligger hos os”.

What this example also shows is that the innovation potential is re-qualified when it is linked to the issue of limited budgets. If money had not been an issue, the replication model would be the ideal thing to do in terms of innovation, but faced with budget restraints, the innovation element is re-qualified to provide open access to a partnership model and share the idea which may not be the ideal, but as it is accounted for here, it is not that bad either.

In terms of time horizons, the partnership managers also try to negotiate with decision makers in the company to buy more time as exemplified by the Sustainable Communities project.

When it comes to tuning partnerships to meet the ideal of transformational partnerships where the company, for example, collaborates with the food and beverage industry on prevention, partnership managers again resort to devising arguments to defend the company's reluctance to engage in such partnerships. In this case, there is also a practical experience that is often referred to as the company did in fact at one point try to initiate a partnership with a nutrition company. According to the partnership managers' account, this did not work out because the others partners involved did not trust the nutrition company: "all the academics were unwilling to work with [...]. There was a big issue of credibility bringing a nutrition company onboard". Still, the reluctance to engage with the food and beverage industry remains an issue among partnership managers because it conflicts with the change leadership role and the partnership ideal: "When we want our stakeholder to believe that we are ready to make a difference, it doesn't make sense that we do not dare believe that food and beverage is ready to make a difference".

In summary, tuning diabetes partnerships in terms of maintaining buy-in and improving the relation and change potential involves different kinds of work ranging from partnership design and organisation to the smaller things done on an ongoing, day-to-day and face-to-face basis aimed at continuously tuning the relation to be "good enough" according to the numerous registers involved. This is also the case in the Sustainable Communities partnership with municipality A (SCA), which is analysed below.

### **7.3.3. TUNING SCA TO PERSIST AND IMPROVE**

The analysis of tuning in SCA illustrates that tuning is indeed ongoing work which aims to improve partnerships against an ideal and to deal with tensions between the ideal and the priorities of home and partner organisations. Further, it highlights that valuing may have unintended and unexpected consequences. Below I first examine how the relation was tuned and re-tuned and next how the change potential of the collaboration was addressed.



*Tuning the relation*

As presented above, tuning the relation involves tuning collaboration, equality, self-interestedness and openness. In terms of collaboration, the roles in the SCA partnership are tuned and re-tuned during the project through a change in ownership. During the introductory workshop, the head of the local production plant makes an effort to present the company as a TBL driven local organisation concerned about sustainable community development. And he also expresses that he does not wish to be perceived as a money machine: “I do not come here with a truckload of money”, he says. His presentation also articulates how the company sees its role in sustainable community development: “We would like to contribute to putting sustainable development on the agenda in the communities where we have production sites”. Likewise, executives from the municipality point out that the municipality has several roles: Local authority, project partner, advisor and employer. They also make it clear that the municipality is obliged by law to address sustainable development and that it has made this work an integral part of its planning strategy which is another legal requirement. In effect, in the beginning, the company proposes to “do something about something” that the municipality is already legally required to do something about. The company does not say that it wishes to drive the agenda, but it offers to play an active role in work that legally is the municipality’s responsibility. In addition, the company brings a model and a methodology that defines sustainable community development and proposes to approach it in a certain way. Seen in this light, it is no wonder that the municipality does not buy the partnership idea at face value. The tuning of roles happens gradually through a transfer of ownership that is both being pushed by “Novo Nordisk,” among others, through the writing of communication principles and through discussions in SCA Steering Group meetings, but also by municipality staff pushing for the integration of SCA in planning strategy in the municipality. In this process, “Novo Nordisk’s” role changes from being the one proposing a partnership idea to being a participant in the planning strategy led by the municipality. It is a subtle change, but it is apparent in the change in wording from the first workshop, where the company’s slides articulate that it wants to “contribute to putting sustainable community development on the agenda,” to the internal communication piece produced around half a year later where it is argued that it is “natural for the company to participate” in the discussion. The tuning also occurs through a change to the organisation of the partnership. The SCA Steering Group is not officially dismantled, but it stops meeting as does the SCA coordination group.

As reflected in the process story in chapter 6, when we develop a model in “Novo Nordisk’s” sustainable community team, we do not explicitly set out to devise a partnership idea that is very close to the municipal planning process. However, we are not totally unaware of this either. As previously mentioned, some colleagues found it “too political” and the company’s role in local politics was also discussed during Steering Group meetings at the company. Still, when we develop a model

and the approach, our main concern is to develop a model that will resonate with global sustainable community advocates as well as with our colleagues in Product Supply and Corporate Stakeholder Engagement. The fact that the model is what we call “holistic” reflects the fact that we were aiming to develop an innovative approach that would take us beyond business as usual. The fact that it is data-based and analytical first and foremost reflects the fact that this way of working is held in high esteem in the profitability & market leadership register in “Novo Nordisk”. Based on my work experience in the team, I believe it is fairly accurate to say that when we reached out to the municipality, we were keen to test our newly developed model and initiate a dialogue and did not in any way intend to take over the municipality’s work or role. The fact that we were stepping on their toes (if you ask them they will likely say that we were not - they are very friendly and polite people - but in my opinion we were...) only dawned on us gradually once we had started to work with municipality staff and became better acquainted with the political process and planning strategy. As I return to below, the discussions about “NovoCity” and “Big Brother” and company concerns about partnership progress also stimulated us to begin pushing for the municipality to take ownership and later to promote the transfer of partnership activities from the planning strategy setting to the public school setting which I return to below.

What this example of tuning and retuning roles illustrates is that initial social value propositions and the role that they suggest for the company may be re-tuned as the process progresses and, second, that partnership ideas may have unintended and unexpected consequences. Further, it highlights the influence of valuing tools. It is not only the people who represent “Novo Nordisk” who try to enact a certain role for the company in partnerships; the tools they bring to a partnership also play a powerful role. As pointed out in section 7.2, it is interesting to note that while the SCA governance structures, which for a while gave Novo Nordisk privileged access to discussing sustainable development with the municipality, have been dismantled, the Sustainable Communities model and the spider-web approach are now helping to drive the sustainable community development agenda in the municipality. The people are out, but the model is still in. Perhaps this is coincidental, perhaps it is because the model turned out to be useful in terms of promoting cross-organisational work in the municipality, which was one of the priorities that municipality executives announced at the first workshop - but this is only a guess. What is true, however, is that never in our wildest dreams did we in the company’s SC team expect that what had started as a random Google search for a definition of sustainable community development that would resonate in the valuing registers of Novo Nordisk would end up being used in real life by a local municipality to conduct its legal obligations.

### *Power*

As alluded to, the question of equality and power is also addressed in SCA as an issue that is closely related to the ownership discussion. In this partnership, the power relation is talked about quite openly perhaps because both partners are aware that there is a potential reputational risk involved with “Novo Nordisk” receiving privileged access to the local democratic process. The municipality staff bring up the “NovoCity” and “Big Brother” issue in the first partnership meeting and later in the process evaluation. The mail correspondence about the American case of a community alliance referenced in chapter 6 is another example of open debate about the role of companies in local democracy. As in many of the diabetes partnerships, the power balance is also challenged by the fact that “Novo Nordisk” is the initiator of the collaboration. In the SCA partnership, however, the financial costs of the collaboration are shared equally between “Novo Nordisk” and the municipality. The main decisions in the partnership are made by the Steering Group we establish, which consists of executives from the municipality as well as the company. Furthermore, an employee from the municipality is appointed coordinator of the SCA group, though we in the company’s SC team are very active members of the SCA group. All these tactics in terms of designing the organisational set-up serve to promote equality in terms of formal position, titles, and formal representation in decision making bodies. In this partnership, we also pursue the practice of holding meetings at the municipality’s premises. This is, however, not so much because we do not wish to show off our posh new headquarters, but more because there is a distance of 100 kilometres between the two offices. As we initiated the partnership and as such imposed this work upon our partners, we feel that it would be inappropriate of us to ask the municipality staff to spend half a working day on travelling to our offices.

### *Self-interest*

When it comes to the tuning of self-interestedness, SCA is an example of a non-branded partnership and it is probably the least business focused of all the partnerships studied in this thesis. Like Jom Mama and i3, it is run as an innovation project in a local context. In contrast to Jom Mama and i3, however, it does not focus on diabetes, but on community development. Including “Novo Nordisk’s” name, logo or corporate brand in the title or project communication was never really considered, but with the discussions about ownership and the potential risk involved, this became even less of an option. However, “Novo Nordisk’s” name is mentioned in the project presentation, although this is primarily a means of reducing the potential risk related to not being transparent about the company’s involvement. Hence, in this case, not branding the partnership is a way of improving the partnership’s value in the relations registers and improving its chances of success in driving change in the local context. The project team’s decision not to associate the company’s name or logo with the partnership was not

made without being questioned, however. Colleagues in CSE pushed for communicating the partnership externally as a demonstration of the company's TBL leadership while colleagues from Product Supply pushed for not communicating about the project until we had "results" to show.

### *Openness*

The question of openness is also highly relevant in the SCA partnership. In the company's team, we push for opening the SCA partnership up to more local stakeholders when we formulate the collaboration, but the municipality prefers to "start small" and we accept this in exchange for a shared understanding that the collaboration is intended to be open to more stakeholders at a later stage. We do not start so small, however, that the green transition project is not included in the first partnership set-up. The municipality is keen to coordinate the two initiatives and in the beginning we at "Novo Nordisk" promote coordination as well because we believe it will be more efficient. However, as described in chapter 6, the "Novo Nordisk" team changes opinion on this as the potential efficiency gain seems to disappear when the green transition initiative changes its timeline. Simultaneously, in the company, we also find it difficult to align the different communication approaches of the two partnerships and are provoked by the incident where the green transition project uses our name without requesting permission. This incident shows that "openness" is continuously qualified and re-qualified in relation to other priorities and that seemingly small things or events such as a change to a deadline or a minor controversy between partners may turn good into less good or bad – and vice versa.

The following section examines how the SCA partnership is tuned in terms of its change potential.

### *Tuning the change potential*

By the time the Sustainable Communities project is presented to the municipality as a partnership proposal, its original ambition to "change the game" has been toned down as a consequence of the recurring business case discussion in the company. Nevertheless, SCA is still designed as a long term initiative aiming for a long term impact. For one, the target year for the dialogue is set 12 years into the future, i.e. 2025. Second, the first activity, the mapping of sustainability issues, is promoted as creating a "qualified foundation for making strategic choices" about future development. According to the phased project plan, after the first phase when the mapping will be carried out and the direction set, the collaboration will move on to the next phase, which will be the initiation of concrete partnerships for sustainable community development.

As mentioned, the Sustainable Community model is designed to promote a holistic analysis that sheds light on the “bigger picture” – the local system’s challenges; or, at least, that was the intention. When we start producing the data report, we realise, however, that the model’s stringent categories that divide sustainable community development into components and sub-components are not really helpful in terms of shedding light on the problem linkages and challenges to the system; quite the opposite, in fact. The way we organise the mapping exercise by fact sheets produced by specialised task forces is not helpful in this regard either. Hence, to make up for this, we make several attempts at analysing the linkages between the model components. The example where we draw lines between model components described in the process description in chapter 6 is just one example. We also develop various other templates and approaches that we test to facilitate a systems view. As it turns out, however, none of these are included in the data report finalised in June 2014 or have been worked on since.

In hindsight, the work that went into making these exercises may, therefore, seem useless, but it provides insights into valuing in this research setting. First, the fact that social value propositions are compromises that allow co-existence between valuing registers in the company may result in models that turn out to be problematic or counter-productive when used in practice. Second, the attempt at tuning SCA towards the CSE ideal of a transformational partnership indicates that even though decision makers in the company have made it clear that the ambition level is not to change the game anymore – and the partner to some extent sends the same signals – corporate partnership managers may still pursue their own agenda, at least for a while. For those of us working in “Novo Nordisk’s” Sustainable Community team, the SCA coordination group became a play ground where we could continue our experiments with systemic partnership models at a distance from the Sustainable Communities Steering Group in the company until the organisational set-up that permitted this was dissolved.

Though the “Novo Nordisk” team is focused on testing the Sustainable Communities model as a long-term systems approach to partnerships, the tension between the long-term ambition of the partnership and managing it according to “Novo Nordisk” timelines is simultaneously present in the SCA example. Measured against the deadline agreed with the Steering Group in the company and the project plans and timelines of the SCA project, the “Novo Nordisk” team gets impatient with the progress of the SCA, though according to the municipality’s measure of fast and slow it is probably not slow at all. As a result, the company pushes for a more rapid implementation of the partnership activities. When the municipality presents the idea of a public school collaboration, we in the company’s SC team are at first a bit concerned that this will by-pass the SCA partnership. However, we quickly agree to seize this as an opportunity to get the project moving in another setting. In this sense, the company’s approach to time and change potential is likely to be perceived as ambiguous by partners. On the one hand, we are promoting a

holistic, long-term dialogue. On the other hand, we are eager to get going and deliver short-term results in our own valuing registers.

With this I end the analysis of how the SCA partnership was tuned to continue to resonate in the valuing registers of the company and partners and meet the partnership ideal circulating in CSE. In the following, I discuss this and the diabetes partnership examples further in terms of what it implies for valuing partnerships.

## **7.4. CONCLUSION: VALUING WORK**

In this section, I draw my conclusions regarding valuing work in response to the analytical questions posed in chapter 3, i.e. 1) Which work activities are involved in the performance of worthwhile partnerships and how are tensions within and between valuing registers dealt with? 2) Who does the doing and what is the role of valuing tools and other “materialities and practicalities” (Heuts & Mol, 2013, p. 141).

### **7.4.1. PITCHING AND TUNING**

In this chapter, I argued that, overall, there are two types of valuing involved when valuing social partnerships in “Novo Nordisk”. Inspired by the musical meaning of “registers”, I proposed calling these pitching and tuning. Pitching involves producing and promoting social value proposals and business casing that aim to persuade “Novo Nordisk” and its partners to support a partnership idea. Tuning involves continuous adjustment that aims to maintain buy-in from decision makers and improve partnerships in relation to a partnership ideal.

In the same way that I, in chapter 6, concluded that “social partnerships” is not a distinct activity in the context of “Novo Nordisk”, the valuing of social partnerships is not a distinct activity either. As in the case of valuing tomatoes (Heuts & Mol, 2013), valuing partnerships involves a lot of different tasks and types of work including, for example, partnership design, partnership organisation, sales, negotiation, communication and project management. From a valuing perspective, however, what is particular about these activities is the way the different valuing registers explored in chapter 5 are tentatively activated and pragmatically combined and re-combined in continuous efforts of getting the parties involved to buy in and continue to buy into the partnership. Alternatively, phrased in musical terms, what is interesting is how the valuing registers are played to resonate in a way that gets fellow musicians to play along. As shown in this analysis, a partnership is not a pre-

composed piece of music that you decide to play or not – or listen to or not for that matter. Rather, performing worthwhile partnerships is largely a process of musical improvisation where “Novo Nordisk” is often the player that strikes the first note. With the four valuing registers in the company, there are multiple registers to play in, several different tones to strike, several instruments to play, different lyrics, several musicians to play with and, hence, multiple versions of tunes which are potentially good enough. Further, what happens when the music starts playing becomes difficult to control. While the tones you choose to strike in your first demo may resonate, during the process the partnership tune must be developed and continuously tuned and re-tuned for it to continue to resonate. The actors involved in valuing may have to improvise, produce new versions, switch registers, find new ways of playing the tune or simply stop playing it because partners or colleagues pull the plug. Alternatively, as happened with the Sustainable Communities case, the tune may end up being included in the repertoire of another band.

### *Pitching*

Pitching involves two types of sales activities. One is the making and promotion of social value propositions that are models which problematise the present or visualise a desired future, while the other involves the different “business case” activities that I referred to as business casing. The social value propositions are included in business case activities, but the two types of pitching are also quite distinct in terms of the work involved and who they are directed towards. When partnership managers pitch a social value proposition, they strike a note in one of the good relations registers, i.e. either the change leadership register or the responsibility & accountability register, which has several implications. First, it enacts the company as a member of society and more specifically as either a responsible citizen and/or change catalyst. Second, it proposes that the value of the partnership is assessed against “social” evaluation criteria, for example, quality of life and financial savings on public health care budgets. Third, and this is perhaps self-evident, it does not activate the other valuing registers in “Novo Nordisk”, at least not immediately or directly in its physical form as a written text or a visual. They are still there, fully active and available to be played, but they are not played in the pitch. Still, and this is an important twist, the analysis of the social value propositions showed that they were devised in a way that allowed peaceful co-existence with the other valuing registers. What this means is that even though there are multiple registers to play and combine in different ways in “Novo Nordisk”, you can not make any social case. You can not play outside the registers, you can not compromise on issues which are non-negotiable, while some pitches are simply so far off that they jar on the ears. The case of the making of the Sustainable Communities model, in particular, illustrates how the social value propositions studied in this thesis are corporate versions of “the social” that are made not only to convince partners to collaborate, but also to convince colleagues to support the idea, or at least not work against it.

*Business casing*

Making the “business case” to decision makers in the company is not a question of conducting a spread-sheet calculation that shows a positive return on investment, rather it is an ongoing process of making decision makers in the company believe strongly enough in the potential value of a partnership so that they run the risk of investing. The analysis showed that this involved the promotion of other versions of the “business case” than the typical business case in the profitability & market leadership register measured in terms of sales, profit and market share and volumes. The “business support” and the “win-win” narratives are alternative evaluation criteria that are pushed as frames for business case conversations. Both narratives suggest to assess and measure the business case in terms of “competitive advantage” in “the longer run”. While the narratives try to change the business case assessment criteria in the profitability & market leadership register, a lot of work still goes into trying to accommodate the measures of success and the preferred way of working in the results registers. This was quite pronounced in the Sustainable Communities case where the numerous attempts made at quantifying and measuring the Shared Value case and the added value seemed to be a way to meet the call for speaking with data and delivering quick wins and results. The analysis indicates that the very act of putting numbers, percentages and USD on the table and presenting an idea in graphs and figures (even though the calculations may only be tentative or unverified) is valuing work which improves a partnership idea in the results registers of “Novo Nordisk”. Another aspect of business casing was to design partnership ideas to sell by, among others, reducing the uncertainty involved in engaging through limited or phased approaches and the inclusion of events and activities that were either less uncertain in terms of company gains, or were generally considered good things to do in the company such as research activities. Finally, liaising with allies – individuals and project management tools – in the company and switching the anchoring of partnership management between departments and business units when it was no longer worthwhile in one place, was a central part of the work that performed worthwhile partnerships in a business case sense. As the Sustainable Communities idea was moved between departments in order that it would continue to be considered worthwhile, it was re-defined from a “game changer” to “operational TBL”. In a valuing perspective, this is not a dilution of the idea or a toning down of ambitions. Rather, in a valuing perspective, it involves re-valuing or reassigning the idea to a different valuing register. What it means, though, is that Corporate Sustainability, who is now in charge of the project, needs to start another round of pitching to get resources to carry out this task. When this happens, it will also result in changes at production sites as Sustainable Communities with the re-anchoring became a mandatory part of TBL work at production sites.

As mentioned in chapter 4, my intention of including diabetes partnerships as well as the Sustainable Communities case was to explore whether the topic of the



partnership played a role in valuing. My intuition was that it might be somewhat easier to make a diabetes partnership worthwhile than a partnership on sustainable community development at the company's production sites. However, the analysis seems to indicate that ensuring that partnerships are worthwhile investing in generally requires a lot of – and continuous – effort irrespective of the topic. However, it also shows that even partnership ideas such as the Sustainable Communities, which from the beginning struggled to make a business case, may still get off the ground and onto the Balanced Scorecard. In this case, it took, among others, a strong ally and a phased project plan to reduce uncertainty by offering project management decision gates as ways out if the proposed added value failed to materialise within a certain time frame. But perhaps there is still some truth regarding my initial intuition? In business case activities, the fact that a partnership is about the company's core business seems to give it an advantage over a topic such as sustainable community development in the sense that diabetes is also a key focus area in the profitability & market leadership and science & innovation registers. In this sense, it can be argued that the topic of diabetes resonates better with the results registers than the topic of sustainable community development. In business case work on diabetes partnerships there is no need to explain what diabetes is or why it is important in contrast to, for example, the topic of sustainable community development which needed to be defined. Furthermore, diabetes partnerships that can convince that they address a problem faced by the pharma company, for example, pressure on prices or "payers" questioning the benefits of innovative treatments, seem to have an easier job than those that fail to make a convincing argument about links to problems that are putting business success under pressure as it is defined in the R&D and sales units. Still, even in the case of, for example, the diabetes leadership forums, such arrangements are not an easy sell in the company and the assumed correlation between holding a forum with the participation of health ministers and other important decision makers and gaining competitive advantage remains just that – an assumption that can not be proved in the same way that presenting a new diabetes treatment to a doctor may or may not lead to the doctor starting to prescribe the medication in the following weeks and months. In addition, the company depends on partners to host such meetings. As the analysis showed, getting partners on board requires making a compromise between "Novo Nordisk's" results registers and the partner's priorities.

*Pitching: Interplay between social value propositions and business casing*

As described, the social value propositions and the business case work are pitched in different valuing registers, but the social value propositions are pitched in a way that allows the co-existence of the relations and results registers, though this is not immediately apparent when examining the models that present the social value proposition. Seen in this light, the social value propositions could be argued to be window dressing or false promotion that hides "the real business case". However, the purpose of the valuing work analysis is not to judge which pitch is more valid

than the other, but to investigate how value and worth is enacted and performed which in the case of social value propositions involves coordination between valuing registers that is not immediately visible from the models. However, it is important to remember that the different partnership pitches are made within the valuing registers of “Novo Nordisk”. As noted in chapter 5, though the valuing registers offer different co-existing versions of the “business”, “society” and the “business-society” relationship, they also keep results and relations apart which allows one version to win over another. Hence, though the social value propositions are not, in my opinion, less valid statements of what the company values than business case arguments, the fact that the business case for engaging in societal issues needs to be made clearly indicates that the relations registers – and the versions of the business-society relationship that are enacted in these – “at the end of the day” are subordinate to the imperative of delivering results. After all, no similar request to make the “social case” for producing and selling insulin has been made. What the valuing analysis sheds light on, however, is that “results” are not a fixed category– the valuing registers offer room for defining and re-defining results in multiple ways. Furthermore, sometimes these re-definitions change the registers as in the decision about giving the company’s production units the mandatory task of initiating dialogue with local municipalities based on the Sustainable Communities model. Furthermore, with regards to making the business case for partnerships and the different types of relations activities involved, the focus is more about building a strong enough belief in results than it is about delivering actual proof of results.

### *Tuning*

In the analysis, I identified two types of tuning that typically involve direct contact with partners outside the company. As such, this work is characterised by less control over valuing and more tension not only between the valuing registers in the company, but also between company and partner priorities and what the partnership managers involved consider to be the ideal partnership. The one type of tuning involves securing initial buy-in (tuning to persuade), while the other is aimed at maintaining buy-in and continuously improving partnerships (tuning to persist and improve).

Tuning to persuade involved give-and-take negotiations and aligning partnership ideas with partner priorities. Tuning to persist and improve included re-qualifying the partnership relations in terms of collaboration, equality, self-interest and openness and the change potential in terms of innovation and the partnership’s time horizon. This includes designing partnership activities and the organisational set-up, branding partnerships and making ongoing adjustments to the relations through inter-personal communication and consultation. Even smaller adjustments such as holding meetings at the partner’s premises or writing an outcome document led to improvements in the partnerships according to the partnership managers’ accounts.

Tuning also included defending decisions as the decision makers in the company were unwilling to compromise on certain key issues, for example, the involvement of direct competitors in partnerships. In these cases, the partnership managers carefully chose arguments drawing on recognised standards or best practice in stakeholder communities, though they might not have agreed with the company's position themselves.

All in all, the continuous effort of re-tuning partnerships in line with partner priorities and the partnership ideal indicates that tuning is largely tactical and experimental in nature – a nip here, a tuck there – and involves the gradual development of ideas as long as they maintain buy-in from decision makers in and outside the company. As pointed out in the introduction, this is reminiscent of the notion of care as an experimental process where “divergent qualities and requirements are tinkered with in combination” (Heuts & Mol, 2013, p. 138). What the examples of tuning show is that when partnership managers strive to improve partnerships, they qualify and re-qualify collaboration, openness, long term and short term and the other elements included under the relation and change potential headings. Further, the definitions of good and bad in relation to these elements are not fixed. As in the good results and good relations registers, there are ranges of good and bad with regards to the partnership ideal and small adjustments may improve an assessment in terms of, for example, equality. The analysis also shows that events such as the small controversy with the green transition project and practicalities such as the amount of funds available and law and regulations may lead to the re-tuning, re-qualification and re-direction of partnerships. Furthermore, as in any type of experimental work, lessons are learned along the way that influence tuning.

In the final section, I explore the question of who the actors involved in valuing are, including the role of “other practicalities and materialities” (Heuts & Mol, 2013, p. 141).

### **7.4.2. WHO DOES THE DOING?**

Individual partnership managers, employees of partner organisations and collective partnership teams are prime actors in valuing, but several other actors are also involved such as the valuing tools which act in conjunction with people, but also on their own. Besides the performance management system (Balanced Scorecard) of “Novo Nordisk” and the Triple Bottom Line and Changing Diabetes commitments explored in chapter 5, the lead examples in the above analysis are the Rule of Halves, the Sustainable Communities model, the partnership ideal and the PEM and IPM project management models. Other actors include people and organisations

that are not directly involved in partnerships and budgets, laws and rules and regulations.

### *Valuing tools*

As pointed out earlier, the analysis provides plenty of evidence for the effective performativity (MacKenzie, 2007) of valuing tools, which highlights the need to carefully consider how valuing tools are produced and used in partnerships. In the Sustainable Communities case, for example, the model, which was a compromise between competing definitions of sustainable community development in “Novo Nordisk,” is still playing an active role in A. There were also several examples of models provoking controversy. Like the business case narratives discussed above, the social value propositions are proposed frames (Callon, 1998) for collaboration and evaluation that propose a certain definition of the social problem, often also a certain way of approaching a solution and certain criteria for measuring success. In effect, they suggest leaving other definitions, ways and measures of success out of the collaboration. The analysis showed that the social value propositions produced in “Novo Nordisk” were rarely accepted at face value and had to be negotiated and/or aligned with partner priorities.

Another point that contradicts the innocence and passiveness of valuing tools is that they bring other actors in through the backdoor and use them to make and strengthen their case – and enact the responsible citizen and change catalyst versions of “Novo Nordisk”. The authors of the articles behind the RoH, the humans and non-humans involved in RoH studies, IDF’s diabetes statistics, Sir Egan who made the Egan Wheel, the San Francisco Health department, the UN Global Compact Cities programme and many more are silently involved and used to pitch “Novo Nordisk’s” partnership ideas. As all this material is publicly available, there is nothing wrong or unusual in doing this (though the above mentioned may not necessarily agree to the way they are being used by the company). The point is that all these actors come to play a role in valuing and that they may leave traces or have effects that are both intended and unintended. Another point is that stakeholder involvement is not always conducted through active dialogue, but can also include passive involvement or the company using and being used by stakeholders. The partnership ideal is an illustrative example of this. Based on ideas and standards from the UN Global Compact Lead, the OECD, the UN’s private sector office and others, these organisations come to set a standard for partnerships in “Novo Nordisk” that partnership managers tune partnerships against.

Finally, the project management tools also do valuing work. With their decision gates, work phases and timelines, they impose a certain way of working in partnerships and certain definitions of quick and slow, efficient and in-efficient. The battle between the PEM and IMP models in the Sustainable Communities case is an example of how project management models define success and it illustrates

that switching from one model to another or combining them is a way of changing timelines as well as redefining success criteria. As several of the partnerships included in the study are run on the basis of “Novo Nordisk” project management tools with the timelines and success criteria that this includes, these tools impose “Novo Nordisk’s” definitions of efficient project management on partnerships in ways that partners may not always agree to.

### *Partner organisations and partner relations*

Apart from the many actors that become involved in valuing through the valuing tools, the partner organisations and their representatives obviously also play a leading role. As pointed out in chapter 6, “Novo Nordisk” depends on partners to carry out its partnership ideas and getting them on board is, therefore, a crucial task in valuing work. As this study offers limited insight into partners’ valuing and their valuing tools, it is only possible to observe how interaction with partners affects the valuing that is carried out in “Novo Nordisk” which is most visible in the analysis of tuning. The obvious examples being the aligning of ideas with partner organisations’ strategies and priorities and striking compromises in terms of, for example, broader or more positive definitions of the social problem, re-scoping or re-design of partnership activities, partnership branding and compromises on countries and regions for partnership interventions. The involvement of other organisations is another point where aligning and compromising takes place. One example is the discussions with partners about the involvement of direct competitors which “Novo Nordisk’s” partnership managers strive to justify – with or without success. In the SCA case, the municipality’s partnership with the green transition project also affected “Novo Nordisk’s” valuing work and led to twists and turns in the partnership. Finally, it is not only the people who are designated to work with the partnership on behalf of the partner organisations or sit in a partnership Steering Group that affect valuing. In the SCA example, “Novo Nordisk” is indirectly engaging with a much broader group including local politicians, municipality management and staff, citizens and other local stakeholders. This engagement, however, is beyond the control of “Novo Nordisk” which leads to frustration and a feeling of being left in the dark.

### *“Other materialities and practicalities”*

As pointed out in chapter 4, in this analysis I have not paid particular attention to materialities or practicalities besides the role of valuing tools. One material aspect that I could have paid closer attention to is space and locality. Certainly, the decisions about not meeting in corporate headquarters and moving SCA meetings from the development house to the Town Hall office indicate that space and location play a role in valuing. As an example of a practicality that matters, in valuing of partnerships – as in any other activities – there are rules and regulations that affect what can and cannot be done, what is good or bad and right or wrong.

When the SCA collaboration is aligned with the municipal planning strategy process, for example, in effect the partnership becomes subsumed into the law for municipal planning and as a consequence “Novo Nordisk” cannot have a particular or privileged role in this discussion. Budgets in “Novo Nordisk” and partner organisations affect valuing too as in the example of the budget restraints in A, mentioned in chapter 6, and the example of an innovative replication idea being turned into an advocacy tool. Reducing budgets to a practicality may come across as rather nonchalant. Obviously, money and budgets are powerful actors in any kind of activity that has a cost to it. Perhaps the most interesting observation in this regard is that the costs of partnerships are generally not discussed a lot or at least not to the degree that the conceptualisation of valuation as a weighing of costs and benefits (Austin, 2000) seems to suggest. The majority of valuing activities in this analysis are focused on emphasising the benefits of partnering. One interpretation could be that this is because the benefits are uncertain. Another could be that money is not an issue. A third interpretation could be that costs are not addressed because they represent one of those issues that are so important that they end up being taken for granted. A final interpretation is that this might also be an example of what happens when “value creation” is replaced by “valuing” and “valuing work” as an analytical framework. In the following, I elaborate the results and the research contribution and discuss research perspectives and practical implications.

## CHAPTER 8. DISCUSSION

What happens when you accept the premise that value cannot be defined in essentialist terms and simultaneously buy into the idea that the organisation of the social world is better understood through a multiplicity-oriented ANT lens than through an institutional and sector-based lens? First, it becomes necessary to change the research question from what the value of something *is* to *how* something is valued and second, to take a fresh look at the actors being studied, the human and non-human, and investigate who they are and how they value. In a nutshell, this is what I have done in this study. In this chapter, I discuss the contribution of this analysis. In the first section, the results of the analysis are discussed against the research gaps and the research proposition presented in chapter 2 and 3. The following section discusses the research implications and limitations and identifies areas for further research. Finally, I reflect on the practical implications of the analysis.

### 8.1. “VALUE” AND “VALUE CREATION” IN SOCIAL PARTNERSHIPS

Responding to a call for more studies on how “value creation” in partnerships transpires in practice (Austin & Seitanidi, 2012a), the preceding chapters have investigated how worthwhile “social partnerships” are performed in the particular setting of “Novo Nordisk”. I have approached the study from a pragmatic valuing perspective (Heuts & Mol, 2013) based on the proposition that this offers a new perspective on value and value creation in “social partnerships” that has so far primarily been analysed from a (neo)institutional perspective with a tendency to assume what and how partners from different sectors of society value. More precisely, I proposed that replacing the notion of “value” with “valuing” and the notion of “value creation” with “valuing work” is a quite significant shift in research perspective and ontology that may contribute to the understanding of value and value creation in social partnerships on more accounts. First, I suggested that approaching an actor in valuing as an actor and not as an organisation embedded in a particular sector-based logic is likely to facilitate more nuanced accounts of what and how the actor values. Second, and related to the view of actors and agency, I noted that the socio-material perspective that the valuing perspective is rooted in will draw particular attention to the role and effects of valuing tools. Third, I suggested that approaching valuing as an experimental, constant and situational activity with numerous human and non-human actors involved brings the dynamics and complexity of valuing to the foreground in a different way than extant studies and to such an extent that it questions the idea that value is ever stable. Finally, I

wondered whether the pragmatic valuing perspective would also shed light on what partnerships are. In the following, I discuss these research propositions against the results of the analysis under the overall headings of “value vs. valuing” and “value creation vs. valuing work”.

### **8.1.1. “VALUE” VS “VALUING”**

As described in chapter 2, it is a widespread practice in social partnership literature to analyse value in the context of partnerships through the “for-profit/not-for-profit” and the “cost-benefit” lenses. In this connection, it is also commonplace to distinguish between “economic” value and “social” value and “self-interested” and “altruistic” motives (Selsky & Parker, 2005). Responding to the particular question of why companies engage in social partnerships, the prime explanation is that companies engage because they face a problem in their environment (Selsky & Parker, 2005) that they can not resolve alone (Huxham & Macdonald, 1992). Such problems are often related to issues of legitimacy (Selsky & Parker, 2005). Thus, gaining legitimacy to allow the organisation to develop or sustain a competitive advantage is high on the list of “benefits” of corporate engagement in partnerships (Austin & Seitanidi, 2012b).

In the analysis of valuing registers (chapter 5) and the analysis of how “Novo Nordisk” partners in practice (chapter 6), I found traces of all the above arguments and I recognised most of the “benefits” and “costs” listed by Austin and Seitanidi (ibid). Profit and economic value are indeed important in the company. Trust issues have spurred engagement and – as partnership managers put it – “at the end of the day” engagement aims to gain competitive advantage. First and foremost, however, the analysis showed that saying that “Novo Nordisk engages in partnerships to gain legitimacy so that it can continue to profit” is a simplified description that reduces the company to a homogeneous actor and glosses over important nuances in what and how it values.

First, as expressed through the results and relations valuing registers, profit and legitimacy are key concerns in the context of “Novo Nordisk”, but they are not fixed or stable definitions. When valuing social partnerships, tensions within and between the results and the relations registers of “Novo Nordisk” are constantly being coordinated which leads to the continuous re-definition and re-qualification of the potential “benefits” of partnership engagement. Second, when valuing partnerships, there are multiple themes of relevance and particular concerns at play related to good results and good relations. As people, tools and systems in “Novo Nordisk” work to enable and support the four valuing registers, concerns that are elsewhere defined as “social value”, for example, quality of life or a better environment, become valued in the context of the company. They are enlisted in the



registers of relevant concerns that can be activated, played and played with – or ignored and dismissed – in valuing. Irrespective of how these concerns are played or not played in different situations or how they are coordinated or not coordinated with the other valuing registers, the point is that they are part of the valuing repertoire of relevant themes and concerns in “Novo Nordisk” and are enabled and supported by systems and people that “work them”. Last, but not least, the valuing register analysis reveals that “Novo Nordisk” is far from a homogenous actor and – as it defines itself in relation to its surroundings – neither is the company’s reality or “environment”. There is not one, but multiple and co-existing versions of “Novo Nordisk” and reality and, as a consequence, multiple versions of the “business-society” relationship and eventual “problems” that the company faces in its “environment”.

One version of the company is that of the profit maker in the market place that measures success in profit and market leadership. Another version is that of the partner in the health care system that measures success in social impact. Adding nuances to the resource dependence and social issues arguments presented in chapter 2, the point that there are more versions of the company and its environment means that there are multiple versions of “problems” and “issues”, multiple definitions of whose problem it is and which role the company should play in resolving it. To avoid conflict between the different versions they are constantly enacted, coordinated and (re-)qualified through valuing work, but none of them can be said to be a more valid representation of the company and its reality or environment than the other. When valuing partnerships, all of the four versions of “Novo Nordisk”, its “environment” and “measures of success” can be enacted and combined differently in different situations as long as the tensions between them are contained. The additional valuing of partnerships in relation to the partner’s priorities and their improvement against a partnership ideal results in great variety in the potential partnership activities in which “Novo Nordisk” may engage.

Furthermore, the multiple versions of the “business-society” relationship question the resource dependence view in as much as there is a reasonably clear and pre-established rationale for partnering that motivates engagement. In other words, it questions the idea of a “clear business case” for partnering; or rather, it points to how important it is to consider how such “cases” are made and, as a consequence of this, what business cases for partnerships (and the “relations work” that is carried out through partnerships) “are”. First, all the partnerships studied were marked by uncertainty and doubt and considerable effort went into the performance of worthwhile partnership ideas even when it could be argued that the organisation was facing a problem that it could not resolve on its own – what Huxham and Macdonald (1992) refer to as a situation of “collaborative advantage”. The diabetes leadership forums are examples of this. Second, in contrast to this example, the multiple registers opened the opportunity for getting vague ideas about issues in or outside the company off the ground regardless of what version(s) of the valuing

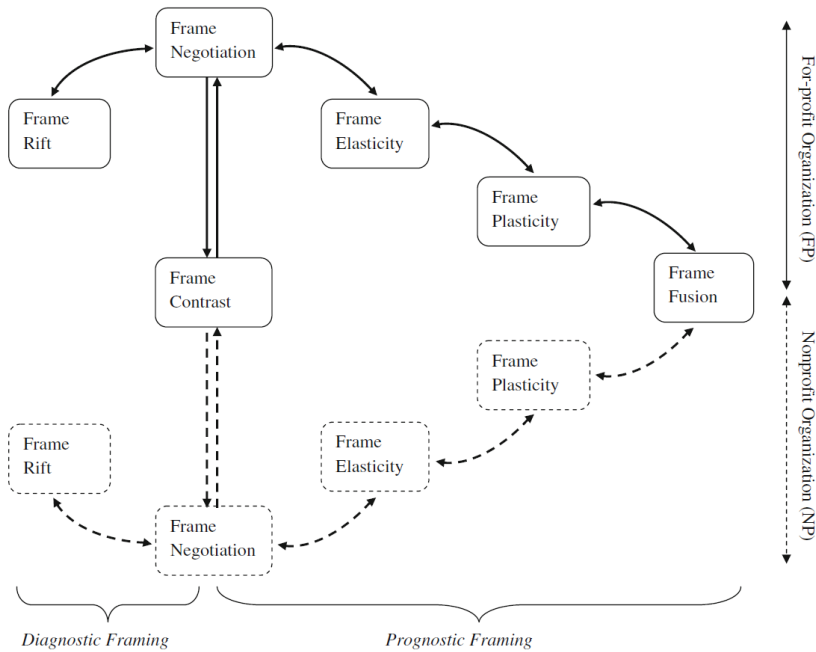
registers the partnership idea originated in – even when, in addition to and often related to the vagueness of the issue, there was considerable doubt about the value of addressing them; the Sustainable Communities project being such an example. In the analysis of valuing work, I concluded that the “business case” is not a case in the sense that it represents clear proof of value that is presented to a decision maker to inform his or her decision about partnership engagement. Instead, I showed that the business case in this particular case-study is more accurately conceptualised as *business casing*, i.e. as an ongoing work process including numerous activities that attempt to reduce uncertainty and persuade decision makers. Particularly, the analysis of business case activity in “Novo Nordisk” showed that “making the business case” is not, as it is often described, just a problem of “measuring” the business case within a certain set of evaluation criteria, but also a question of trying to change the evaluation criteria against which a partnership is measured. Though the analysis showed that certain aspects were non-negotiable and that boundaries to what decision makers would buy into were present, it also showed relatively great variety and room for business casing within and across the registers in “Novo Nordisk”. Further, the analysis emphasises that decisions to commit resources and funds to partnership ideas are largely based on hopes of and hypotheses about benefits and positive outcomes that are continuously built and maintained through valuing work, but rarely proved as such. Hence, in the case of “Novo Nordisk’s” engagement in partnerships, it is important to underscore that it is hopes and hypotheses of and about “value creation” that “motivate” and serve as the “central justification for cross-sector partnering” (Austin & Seitanidi, 2012a, p. 728). In other words, valuing, which is what I turn to next, is a precarious and ongoing activity.

### 8.1.2. “VALUE CREATION” VS “VALUING WORK”

As noted, this study follows the lead of social partnership scholars that have recently taken an interest in examining “value creation” processes in social partnerships. Austin and Seitanidi and Le Ber and Branzei approach value creation from an institutional perspective (Austin & Seitanidi, 2012a and 2012b; Le Ber and Branzei, 2010b). The main argument in the CVC framework (Austin & Seitanidi, 2012b) is that the potential outcome of partnerships is defined in the initial formation stage where the “organisational fit” between partners is assessed and that “valuable intangibles” (e.g. trust, relational capital, learning, knowledge, joint problem solving) are produced when partners work alone and together to design partnerships and through leadership, trust-building and communication and identity work (p. 937). At the end of a successful value creation process, partnerships are institutionalised and reach “value frame fusion” (p. 940). Value frame fusion is a shared language in the form of a “new and evolving prognostic frame” that motivates and disciplines partners, while still preserving their individual “distinct

contribution to value creation” (Le Ber & Branzei, 2010b, p. 164). As described in chapter 2, the processes involved in reaching frame fusion (figure 2.8) are described as requiring much effort and iterative processes where partners revise their own value frames in relation to each other (Le Ber and Branzei, 2010b).

Figure 2.8: Value frame fusion (Le Ber and Branzei, 2010b, p. 184)



Where the above contributions focus on the “co-construction” of value in partnerships between companies (for profits) and NGOs (not for profits) (Le Ber & Branzei, 2010b, p. 163), this study contributes a case of valuing in practice that has its primary focus on how one (multiple) partner performs the value of the different types of partnerships that it engages in including, but not restricted to, partnerships with NGOs. More importantly, however, I contribute a case that indicates that the pragmatic valuing approach can both be a productive supplement and addition to the institutional “value creation” approach. Apart from contributing a case of valuing in practice studied from the inside of a corporate machine room, the analysis presented in this thesis supplements the institutional studies described above in the sense that it also supports the assertion that “value creation” should be studied as experimental, demanding and iterative work processes that are not distinct from, but form an integral part of partnership design, management and other types of partnership work. Certainly, the pitching and tuning that I have described bears resemblance to the “negotiation” and different forms of “revision” in Le Ber

and Branzei's model. Furthermore, my analysis confirmed that valuing involves both partnership design and what Austin and Seitanidi referred to as "trust-based governance," i.e. leadership, trust-building and work involving communication and identity (Austin & Seitanidi, 2012b). What my study adds, however, is that it indicates that studying this work from a "valuing" perspective as opposed to an institutional perspective offers new and enhanced insights into the uncertainty, complexity and dynamics of working with value in social partnerships. Such insights may potentially contribute not only to an emerging understanding of the various ways in which value is established or not established in partnerships, but also to an explanation as to why many partnerships struggle to succeed and, based on this, to call for a re-thinking of the management "recipes" of how such challenges can be addressed. The latter point is discussed in section 8.3, but I elaborate on the others in the following.

Notably, the "valuing" perspective expands and extends the definition of actors involved in valuing from the organisations and organisational representatives that work together directly to other people and organisations – which would typically be considered to be part of the partnership context or environment in the institutional perspective (e.g. Waddock, 1989) – that willingly or unwillingly, consciously or unconsciously become part of valuing such as the sources of the social value propositions and the partnership ideal in "Novo Nordisk". In addition, actors, as discussed above, are not coherent wholes with fixed boundaries between them, but multiple characters that continuously enact and coordinate different versions of themselves, their partners and reality. The "social" and the "business" worlds are continuously enacted and coordinated in different ways. Furthermore, the valuing perspective affords agency to valuing tools and to other materialities and practicalities involved in valuing which opens the door to a vast field of actors that I, with the exception of different tools and management systems involved in valuing, have only paid fairly limited attention to in my analysis. In effect, the valuing perspective offers the opportunity to study how value "comes about" in the context of social partnerships in a way that will likely lead to studies that are both more comprehensive in terms of the actors they include, and more detailed and nuanced in terms of capturing the multiple valuing registers and versions of the actors and realities involved.

Furthermore, with its attention to uncertainty, experimentation and continuous effort, the valuing analysis offers insights that question the feasibility of describing "value creation" as a process that progresses through stages and, when successful, ends with the institutionalisation and stabilisation of value. Arguably, parts of the activities that I have described resemble the work done in the different stages and sub-processes in Austin and Seitanidi's and Le Ber and Branzei's models; and most of the partnerships I have examined move forward in one way or the other. However, the most distinct feature of the partnerships studied in the "Novo Nordisk" case; the Sustainable Communities case in particular, is perhaps that they

move forward *despite* continuous doubt and that moving them forward takes continuous effort to maintain the buy-in that allows progression. Therefore, it could be argued that the valuing perspective supplements the institutional “value creation” approach by offering a way to shed light on the work that goes on in and between the boxes and steps in the various models. However, based on my results, I believe there is further ground for discussing whether the stage models are accurate or productive models of “value creation”. First, they signal that valuing ends when value becomes “institutionalised” (Austin and Seitanidi, 2012b) and “value frames” become “fused” (Le Ber and Branzei, 2010b). In the analysis of valuing – which obviously is particular to “Novo Nordisk” – I found limited trace of stabilisation or fusion, but more examples of what I would describe as “temporary co-existence that allows partnership activities to move forward”. As described, partnership ideas were pitched and aligned and adjusted to partner priorities which involved giving and taking during negotiations and continuous adjustments with regards to the company’s valuing registers, partner priorities and partnership ideals. However, I question whether the continuous coordination in this particular case brought much new in terms of a stabilisation of a “shared language” or a “reconciliation” of what and how the partners involved value. Where Le Ber & Branzei (2010b) define value frame fusion as a “new and evolving prognostic frame” that motivates and disciplines partners while still preserving their individual “distinct contribution to value creation” (p. 164), in the case of “Novo Nordisk’s” engagement in partnerships, it seems more accurate to turn the perspective around and paraphrase the momentary performances of “worthwhileness” that released continued support for partnering as “preserving partner buy-in while still allowing partnership activities to move forward”. Furthermore, in my view, the process models fail to capture transformations of partnership ideas where the original partnership set up, as in the case of the Sustainable Communities project, is dissolved, but the idea lives on in other settings. In the value creation process model, this would likely be interpreted as an example of a “value creation” process with an unsuccessful ending. However, the fact that the Sustainable Communities idea is still worked with in the municipality as well as in “Novo Nordisk” serves to demonstrate that partnership processes may extend beyond the dissolution of the original partnership organisation and calls for attention to also be paid to work that is conducted during and after such transformations.

The examples of process based studies of “value creation” that I presented in chapter 2 also included an example that was based on the perspective that communication constitutes organisations (Koschmann et al., 2012). In the following, I discuss the results of the analysis in relation to the CCO perspective.

#### *“Value creation as communication” vs “valuing work”*

Where Austin and Seitanidi and Le Ber and Branzei are concerned with the “co-construction of social value”, Koschmann et al. (2012) focus on the emergence of

“collective agency” which is defined in terms of the emergence of an “authoritative text” (p. 334). The concrete communication activities that shape the authoritative text and as such increase the value potential includes increasing meaningful participation, managing the forces that draw people together and the forces that divide them and the creation of distinct and stable identities – something which Austin and Seitanidi (2012b) refer to as “trust-based governance” (p. 938). Manifesting the value of partnerships through influencing public perception of issues and “accounts of capital transformation” made to home organisations is another important dimension of communication practices that increase and assess the value of cross-sector partnership (ibid, p. 345). In line with the discussion above about stabilisation and value frame fusion, I maintain that as the valuing perspective foregrounds and accentuates the multiplicity and constantly changing nature of valuing work it questions whether anything “authoritative” or “collective” emerges or stabilises in partnerships. However, moving beyond the specific contribution of Koschmann et al. and comparing the CCO perspective to the valuing perspective in a more general sense, it is interesting to note that much of the valuing work that I have described can be viewed as communication (e.g. the social value proposition models, the business case narratives, the Shared Value hypothesis, the negotiations, the defensive argumentation, the consultations etc.).

This raises the question of whether valuing work can be summarised as communication work or whether arguing that valuing is performative (Heuts & Mol, 2013) is much different from arguing that communication is constitutive? Arguably, the valuing and CCO perspectives seem quite closely related though one focuses on valuing as activity(ies) that take place in relation to different entities, situations and contexts, while the other focuses on the role of communication in organisations. In this particular study, however, I have used the valuing perspective in an organisational context, which makes the relationship between these two perspectives even more relevant to discuss. In the CCO perspective, communication is defined as an ongoing process of co-orientation aimed at alignment; “communication is co-orientation where two or more individuals align actions in relation to a common objective in an ongoing dialectic between conversations and text” (Koschmann et al. 2012, p. 335). Conversations are broadly defined as the observable “interaction-through-languaging” (Taylor & Van Every, 2000, p. 36) and the “site” where organisation is accomplished and experienced (Koschmann et al., 2012, p. 335). Texts are the “surface” upon and through which conversations develop; they are how organisational forms are identified, described and represented (ibid). Although the focus on individuals in the above definition of communication privileges human actors, the CCO perspective is also inspired by ANT (Taylor & Van Every, 2000). Language is approached as the material basis of communication (Taylor & Van Every, 2000, p. 291) and, according to Cooren, Fairhurst and Hüet (2012), the CCO perspective embraces the fact that materialities as well as discourses act communicatively (p. 296). The latter point is currently being debated, however, as part of a wider discussion about materiality in

organisation studies and in discourse analysis in particular (Editorial, *Journal of Management Studies*, 2015, 678-679). Where some scholars argue that Foucauldian discourse analysis is a way of studying materiality defined as bodies, objects, spaces and practices (Hardy & Thomas, 2015), others argue that many scholars of Foucault tend to privilege the discursive over the material (Putnam, 2015). In a response to this debate, Orlikowski and Scott argue against conceptualising “practices” as part of the “material” and suggest instead to focus on what Barad refers to as material-discursive “practices/doing/actions” (Orlikowski & Scott, 2015, p. 700) as a way to emphasise the “entangled inseparability of discourse and materiality” not as an empirical phenomenon, but as an ontological phenomenon (Orlikowski & Scott, 2015, p. 699). In other words, their argument draws on the performative ontology that Annemarie Mol represents (though they reference John Law instead of Annemarie Mol), i.e. that the material and the discursive cannot be separated as “the world is constantly being made and reconfigured in material-discursive practices” (Orlikowski & Scott, 2015, p. 700). In this light, I argue that the analysis of valuing in the context of “Novo Nordisk” can be positioned as an example of a study of “material-discursive” practices in organisations. In summary, where the CCO and discourse analysis perspectives tend to treat matter and meaning as empirically inseparable, but ontologically different, the valuing perspective, which can be used to study “material-discursive practices” in organisational contexts, as I have shown in this study, shows how reality is continuously being enacted through material-discursive work.

In sum, with the analysis of valuing partnerships in “Novo Nordisk,” I contribute a case of practice to the social partnership literature, which indicates that the valuing perspective may not only be productive in terms of enhancing our understanding of the performance of value in partnerships, but also in terms of enhancing our understanding of the multiplicity and dynamics of partnerships in general. Therefore, in the following, I expand on the question about what social partnerships are and summarise my results through a proposed framework for future studies of social partnerships from a valuing perspective.

### **8.1.3. WHAT ARE SOCIAL PARTNERSHIPS?**

In chapter 2, I summarised the main perspectives on social partnerships (table 8.1). In the functionalist perspective, partnerships are viewed as cross-sector problem-solving mechanisms. In the critical management and discursive perspective, partnerships are seen as cross-sector arenas where companies and other organisations use their power to shape the partnership and advance individual agendas and as “precarious sets of communicative relationships, embodying many tensions” (Lotia & Hardy, 2009, p. 9). Finally, as discussed above, in the CCO

perspective contributed by Koschmann et al., partnerships are viewed as a distinct organisational form constituted through communication patterns.

Obviously, it is impossible to make generalised conclusions about what partnerships are as this depends on one's analytical perspective. Further, there are limits to what can be said based on a single case study that has a focus on how one actor approaches the partnership idea. Instead, I have developed a set of research propositions to be tested in future studies based on the valuing perspective and the insights it provided into what partnerships are in the context of "Novo Nordisk" (table 8.1).

First, I propose that partnerships could be approached as experimental work sites where multiple actors co-exist in tension to carry out activities that those investing in the partnership in terms of money, people and/or time hope to benefit from. This proposition emphasises the experimental and explorative nature of partnerships. It positions partnerships as work sites where multiple actors with multiple identities work together and co-exist in tension without making prior assumptions about what the partnership activities are about, who these actors are or what and how they value. It emphasises that there is tension in partnerships, but in contrast to the institutional approaches to partnership management presented in chapter 2, it does not study tensions in an inter-organisational or community-member lens where partnership managers "juggle" (Hardy et al. 2006), "grapple" (Vangen & Huxham, 2005) or "cope" (Lewis et al., 2010) with tension between for profit and not for profit institutional logics through, for example, "idealistic" and "pragmatic" discourses (Tomlinson, 2005) or ways of leading partnerships (Vangen & Huxham, 2003a). It suggests that partnerships hang together and progress through the continued and situational coordination of co-existence in tension between multiple and dynamic actor realities and identities rather than through inter-organisational trust building, the establishment of new and/or shared understandings and identities and/or the establishment of distinct organisational forms. Furthermore, the proposition embraces the fact that there may be other actors involved than those that directly invest in the partnership. Finally, it stresses that partnerships are formed based not on pre-defined ideas about value in essentialist terms, but on hopes of benefitting from partnership activities without making assumptions about why partners engage or about what and who the partners investing hope to benefit.

Further, I propose that partnership formation and evolution and partnership management should be studied through a valuing lens with a focus on how partnership ideas are continuously worked with to allow co-existence and progression of partnership activities. In contrast to stage models, this proposition does not make assumptions about particular stages in, or a particular sequence of, or end goal of partnership processes. Rather, it focuses on the continued work that gradually moves activities forward. Further, it abstains from characterising partnership work as a particularly strategic activity and calls instead for attention to



be paid to the different types of work involved in making and running partnerships in practice and on a day-to-day basis. Obviously, this proposition would also involve examining whether there are particular types of work or ways of working that facilitate or hinder co-existence and progression, which I discuss further in section 8.3.

Finally, on the basis of the case study of “Novo Nordisk’s” engagement in partnerships, I suggest that “value” in the context of “social partnerships” is continuously performed hopes and hypothesis about benefits that are rarely proved in terms of delivering final and measurable results. Again, this emphasises the experimental nature of partnerships and draws attention to how the hopes and hypotheses are performed through activating and coordinating the multiple valuing registers involved. Finally, in line with the proposition to approach partnership evolution and management as valuing, I propose replacing “value creation” with valuing work defined as the numerous activities that continuously perform hopes and hypotheses about partnership benefits.

*Table 8.1: Social partnership research perspectives, including valuing perspective research propositions.*

	<b>Functionalist/s strategic perspective</b>	<b>Critical/discou rse perspective</b>	<b>CCO (Koschmann et al. 2012)</b>	<b>Valuing perspective proposition (based on NN case study)</b>
Social partnerships are	Cross-sector problem solving mechanisms and companies engage because they need a resource (often legitimacy), face a problem in their environment and/or want to implement CSR strategies.	Cross-sector arenas where companies and other organisations use their power to shape the partnership and advance individual agendas.  “Precarious set of communicative relationships, embodying many tensions”	XSPs (cross- sector partnerships) are “distinct organisational forms” that are constituted primarily through communication patterns” as opposed to hierarchies, markets, or resource flows” (p. 334).	Experimental work sites where multiple actors co-exist in tension to carry out activities that those investing in the partnership in terms of money, people and/or time hope to benefit from.

		(Lotia & Hardy, 2009, p. 9).		
Main analytical approach	Analysis of the coordination between institutional fields, institutional logics and/or problem domains.	Discourse analysis (in institutional fields, logics and/or problem domains).	Text and conversation analysis.	Multiplicity oriented ANT analysis of the coordination of valuing registers and actor identities and realities.
Partnership formation and evolution	Partnerships emerge and evolve through stages in iterative and cyclical processes.	Partnerships are “social accomplishments” that come about over time through iterative processes where individuals from different organisations work together while representing the interests of their organisations.	Partnerships emerge through processes of communicative constitution.	Partnerships emerge and evolve through valuing work where partnership ideas and activities are continuously pitched and tuned to coordinate valuing registers and actor identities and realities to achieve and maintain the buy-in that allows partnership activities to move forward bit by bit.  Activities may continue in other settings after the
Partnership management	Management of inter-organisational problems of coordination, control and legitimacy and problems of understanding that stem from different organisational /	Management of tensions between constituent and partner organisations and between ideology and pragmatism.	-	

	field logics.			partnership work site has been dissolved.
In the context of social partnerships, value is...	<p>A condition and a potential resource:</p> <p>Value logics (for profit vs not for profit, self-interested vs altruistic)</p> <p>A motivation and a potential outcome:</p> <p>Benefits weighed against costs</p>	The same as in the functionalist perspective, but it is naïve to assume that partnerships will benefit society at large.	A question of how well the organisation “secures the legitimate right to continue to appropriate the capital of the individuals and collectives associated with it” (p. 345).	Continuously performed, but only rarely proved, hopes and hypothesis about benefits that are performed by activating and coordinating the valuing register repertoire of relevant themes and particular concerns of actors in partnerships.
In the context of social partnerships, value creation is...	<p>A function of the cross-sector relationship.</p> <p>A process(es) that is an integral part of partnership formation and implementation processes where value frames are deliberately worked with.</p>	-	Processes of communicative constitution where different communication practices “shape the authoritative text and increase the value potential” and “manifest the value of the partnership for stakeholders” (p. 338).	Valuing work defined as the numerous activities that continuously perform hopes and hypothesis about partnership benefits.

In the following section, I discuss what it would take to further qualify and develop the proposed valuing perspective.

## 8.2. RESEARCH IMPLICATIONS

This section addresses the research implications of the “Novo Nordisk” case study. First, I look at future research avenues within the social partnership field. Second, I discuss the study in relation to valuation theory. And finally, I present a few ideas for further research within the CSR and organisation and management fields.

### 8.2.1. FUTURE RESEARCH AVENUES WITHIN THE SOCIAL PARTNERSHIP FIELD

From a theoretical point of view, it would be necessary to conduct more studies of “valuing of partnerships in practice” in order to further explore the valuing perspective as a potentially new research perspective within the “social partnership” field. The purpose of such studies would be to qualify the specific valuing perspective propositions that I presented above: Which new insights are gained from approaching “social partnerships” as experimental sites where multiple actors with multiple identities work together? Is it reasonable and productive to study partnership formation, evolution, management and “value creation” through the “valuing work” lens? Does “valuing work” generally involve pitching and tuning or are there other types of valuing work? Finally, is it generally the case that “value” in the context of “social partnerships” is primarily realised through performed hopes and hypotheses about “value”?

From an empirical and research design point of view, first of all, it would be interesting to explore whether the results of the case study presented here also apply to other corporate actors or if they are unique to this particular actor. Obviously, the valuing perspective assumes that any actor is uniquely multiple in terms of what it values and how it performs itself and its surroundings in different sites and situations. Nevertheless, it would still be interesting to study not only what and how other pharmaceutical companies value, but also how companies engaged in other industries approach it. Is there, for instance, a difference between how pharmaceutical companies and tobacco companies value and work with “social partnerships” which may indicate that it is perhaps easier – or at least involves different activities – for a company like “Novo Nordisk” that happens to be able to make social value propositions that connect its core business to a cause that is generally recognised as worthy and as a societal challenge? Furthermore, does the financial performance and ownership structure of a company play a role in valuing? “Novo Nordisk” is financially successful and the majority vote is held by a foundation so it would be useful to explore what role, if any, this plays in comparison to other companies.

Secondly, it would obviously also be interesting to study how non-corporate partners value partnerships as well and, not least, it would be highly relevant to study valuing at the partnership level to provide enhanced insight into how different sets of valuing registers are coordinated within and between partners at different partnership sites. As mentioned, the “Novo Nordisk” case is limited as it focuses on one actor. Though I have observed and participated in partnership activities, my position as a company employee has not allowed me to provide appropriate insight into what and how the company’s partners value. The ideal research design would give the researcher(s) full access to study valuing in all individual partner machine-rooms as well as what goes on when they are together.

Thirdly, there are a range of questions related to valuing and how the “social partnership” phenomenon is conducted in practice that I find worth pursuing based on the “Novo Nordisk” case. For example, do other corporate actors have a similarly wide definition of partnerships that covers a range of different projects, programmes and other activities – and do other corporate actors also typically initiate and take charge of the activities that they include under the partnership label? Perhaps this is unique to “Novo Nordisk”, perhaps it is not, but irrespective of the answer, I suggest that the case calls for additional studies that examine how different actors define and approach the social partnership phenomenon – and how this affects our understanding of what “social partnerships” are and what they may accomplish. In relation to this, it would be interesting to pursue the findings about the science and innovation register that I argued was unique to “Novo Nordisk”. Assuming that all actors have one or more valuing registers that are special to them compared to what other actors in their “actor category” value, what is then the role of the unique registers in social partnerships and different valuing situations? Furthermore, another line of inquiry would be to investigate the effective performativity (MacKenzie, 2007) of valuing tools in “social partnerships”. Where do the tools come from and what is their role and effect? In this connection, Selsky and Parker have proposed studying the “resource dependence”, “social issues” and “societal sector” perspectives on partnerships as “prospective sensemaking devices” that managers use to envision and make sense of partnerships projects (Selsky & Parker, 2010). Furthermore, as mentioned above, the fact that partnership managers have a partnership ideal has also been found by, among others, Tomlinson (2005) who studies idealistic discourse and Vangen & Huxham (2003) who study idealistic leadership. Where these authors focus on how managers use platforms and ideals, the performativity perspective would add to such studies by shedding light on valuing tools as independent actors in partnerships. In the “Novo Nordisk” case, this perspective, among others, led to the insight that the standards and principles that influential stakeholder organisations produce may be involved in partnerships where the stakeholder organisation is not formally or personally represented. Furthermore, randomly selected actors could also become involved without their knowledge or approval.

In the following section, I discuss the results in relation to valuation studies.

### **8.2.2. RESEARCH IMPLICATIONS FOR VALUATION STUDIES**

First and foremost, this study contributes another case of “valuing in practice” to valuation studies. According to Heuts and Mol (2013) “a good case study builds on and resonates with earlier ones while adding its own specificities to the collection” (p. 139). I will leave it to others to assess whether the case presented here is good or not, but I will attempt to elaborate what this is a case of and what is specific about it. In my view, the specificity of the case is first and foremost that it is difficult to identify the entity being valued or the actor doing the valuing. “Novo Nordisk” is multiple as is the phenomenon that is being valued. The “social partnership” phenomenon is not as easily identified as a tomato. It is not a good or a service, a thing or a person or a unique piece of art or nature. The company does not have one name for the phenomenon that everybody knows it by either, such as “atherosclerosis” that makes the multiple versions of this disease hang together (Mol, 2002). In “Novo Nordisk” the “social partnership” phenomenon is a way of doing different kinds of relations activities that can also be described as public affairs, corporate branding, corporate sustainability – and in more generic terms as project or programme management. In this perspective, the case can be seen as a case of “valuing of doing” or “valuing of a particular type of work”. Furthermore, the phenomenon being valued is closely entangled with the actor conducting the valuing as partnerships are entered into with the hope of benefitting one or more of the different versions of “Novo Nordisk” that are actively played with and combined in valuing work. In this view, the case is not just a case of “valuing of doing”, but a case of valuing the types of work that aim to improve a company’s relations with its surroundings – also typically referred to as Corporate Social Responsibility. As the study shows, the “corporate”, the “social” and the “responsibility” is continuously being defined and re-defined when valuing partnerships. In this light, the case illuminates how identities and realities are enacted and continuously changed through valuing. In other words, “social partnerships” and “CSR” are very open and flexible concepts. The case study indicates that the corporate actor studied in this case has an interest in keeping it that way as the flexibility to continuously define and re-define partnerships seems to be a strength in terms of ensuring the progression of partnership activities. When partnership managers attempt to identify and describe a “social partnership” idea, for example, in the pitching of social value propositions, the proposed identity and frame for interaction is carefully constructed to allow room for different versions of the company to co-exist. Though they might come across as relatively specific, the social value propositions are broad attempts at identifying and describing partnerships that allow the continual redefinition of partnership activities (and the “corporate”-“social” relationship).

Furthermore, the case study shows that partnership work in many ways defies measurement or quantification. Hence, not only is the entity being valued fuzzy and multiple, its value is in doubt and it is also difficult to measure its potential value. In this light, the case study offers an example of how a phenomenon that is difficult to quantify is valued in the context of an actor that favours quantitative measures of success. While these specificities serve to explain the effort it takes to lift partnership ideas off the ground and keep them moving, the case also indicates that the fact that a partnership can embrace and include multiple identities, realities and priorities is a strength rather than a weakness of valuing work. Further, it shows that it is indeed possible to bend and move around the imperative of proving value in terms of numbers and figures. While the case confirms that quantification is a powerful “shared language” (Porter, 1995) that persuades and signals legitimacy (Espeland & Stevens, 2008), it also – and perhaps more so – sheds light on how the entities or phenomena being valued are identified and compared when there is no single common standard of measurement in place.

### *Valuing work, pitching and tuning*

In the “Novo Nordisk” case, inspired by my empirical observations and by the musical meaning of the word “registers”, I introduced the notions of pitching and tuning to more closely describe the valuing work that I observed in the particular case. As pointed out in chapter 7, in terms of valuation theory, pitching involves the identification and description of the entity being valued (Callon & Muniesa, 2005). Alternatively, pitching can be said to be related to what Lamont (2012) refers to as a “categorisation dynamics”. It is also closely related to assessment or what Lamont and Vatin refer to as “evaluation” (Lamont, 2012, p. 205 and Vatin, 2013, p. 31), because pitching is not only about identifying and describing the idea that decision makers will hopefully buy into, but also the criteria for how they should assess what they are buying. The selling points used in the pitching of partnership ideas unveil the proposed evaluation/assessment registers. As these initial descriptions of what the entity being valued is are being pushed together with proposed registers for how they should be (and not be) assessed, pitching is also a forceful activity filled with tension that is reminiscent of framing (Callon, 1998). In particular, the social value propositions and the business case narratives could also be interpreted as attempts at framing the social problem or vision and business opportunity and as such attempts at “establishing a boundary within which interaction can take place” (Callon, 1998, p. 249). Further, following the framing idea, when decision makers question initial partnership propositions, overflows occur and the frame needs to be tuned to contain these. Though pitching and framing are similar notions, I still maintain, however, that pitching is a more accurate description of my empirical observations. As a brief recap of the three meanings of the verb “to pitch” presented in chapter 7: In the case of “Novo Nordisk”, in the musical sense of the word, pitching is the first step in a process of musical improvisation – an attempt to strike a tone that resonates with the multiple crowd that you intend to play with. In the selling sense,

pitching is a persuasive activity that is reminiscent of framing. In the “to move” sense of the word, “Novo Nordisk” and co-actors throw an idea out there – they try to get things moving. In summary, in the case of “social partnerships” in “Novo Nordisk”, pitching involves persuading and getting things to move, but simultaneously it is an experimental and explorative activity which involves carefully attempting to make room for the co-existence of multiple actors and priorities to allow continued experimentation.

As pointed out in chapter 7, tuning is also reminiscent of several of the valuation dynamics introduced in chapter 3. As tuning aims to improve partnerships both to maintain buy-in for continued experimentation and to make them better against an ideal, it is closely related to the notion of valorising (Vatin, 2013), qualification (Callon et al., 2002) and, not least, care which Heuts and Mol describe as indicating “efforts that are ongoing, adaptive, tinkering and open ended” (Heuts & Mol, 2013, p. 130). Furthermore, in the case study tuning – as caring – is an experimental qualification process where “divergent qualities and requirements are tinkered with in combination” (p. 138). In other words, in my view, what I describe in the case as tuning is essentially the same kind of activity and valuing dynamic that Heuts and Mol refer to as caring. Except for tuning being a better term in the musical metaphor, there is one more reason as to why I use tuning instead of caring in the case-study of “Novo Nordisk”. Caring emphasises the ongoing effort to improve, but it also has the normative and positive connotation that it is work that aims to do good. As pointed out by Heuts and Mol, caring has “a good at its horizon” (p. 130). In contrast, tuning allows me to analyse continuous adjustments and improvements without judging whether what is on the horizon of tuning is good or bad. Certainly, what “Novo Nordisk” and other actors do to, in their view, improve partnerships may not resonate with every actor or be universally accepted as good.

In summary, if pitching and tuning are examined separately, they address and embrace many of the valuing dynamics that are well described in valuation theory, but they are also particularly chosen to (attempt to) best describe the work that I have observed in the empirical field. Pitching is particular in the sense that it seeks to describe the type of “persuasive, but experimental” work that I observed in the case. Tuning, which I consider to be similar to caring, is chosen because it makes sense as a musical metaphor and because it is a more neutral term. When examining the relationship between pitching and tuning, there is obviously a close relation and interaction between the two. For example, partnership proposals are “tuned to persuade” when they are not bought at face value. First and foremost, however, pitching and tuning describe two closely related, but different types of work involved in valuing “social partnerships” at “Novo Nordisk”. Except for the fact that “tuning to persuade” follows a partnership pitch, pitching and tuning are not carried out in a specific sequence, nor are they dialectic. They may occur at different times at different sites or simultaneously. Pitching and tuning represent different tasks which involve different activities and which are typically carried out



at different places with different actors. In pitching, the task is to achieve buy-in to get partnerships going; the focus is on social value propositions and business case activities and the bulk of the work is typically conducted inside the company with limited direct engagement with partner organisations. In tuning, the task is to improve and continuously move partnerships forward through negotiation, design, organisation, consultation and numerous other day-to-day and face-to-face partnership adjustments. Tuning involves plenty of contact with partner organisations.

Before I move onto discussing the practical implications of the case study, I present a few ideas for further research within CSR and organisation and management studies more broadly.

### 8.2.3. FURTHER RESEARCH IMPLICATIONS

In the discussion of the specificities of the case above, I noted that the case study can also be seen as a case of valuing CSR activities. Based on my results, I see at least a couple of potentially fruitful avenues for further research to link the valuing perspective to central and current debates within the CSR field. First, the finding that the “business case” was not a “case”, but rather an ongoing process of business casing may contribute to shedding new light on what the “business case for CSR” is and how it should be approached. Typically, studies of the “business case for CSR” define value in essentialist terms, for example, by testing the correlation between financial performance and social and environmental performance or by asking managers what motivates them (Austin & Seitanidi, 2012a, p. 732). In a comprehensive review of the literature on the business case for CSR, Salzmann et al. (2005) found that the main research gaps were related to: 1) identifying managers’ key economic arguments used to drive corporate sustainability management internally; 2) examining how managers build these arguments (e.g. more qualitatively or quantitatively, using what tools and processes exactly?) and; 3) Assess the effectiveness of individual arguments and the corresponding success factors and barriers. Based on this review, the authors called for more descriptive research on the importance and role of the business case for CSR in companies. The valuing perspective seems to be an obvious way to respond to this call, in particular, when it comes to shedding light on how the business case is made and what it does.

Another central CSR debate is related to the idea of “Shared Value” (Porter & Kramer, 2011) which I also mentioned in the introduction to the thesis. In line with Austin, Porter and Kramer define “value” as “benefits relative to costs” as opposed to profit defined as “revenue minus costs” (Porter & Kramer, 2011, p. 6). With its positive focus on “win-wins,” the shared value approach has gained significant traction, but it has also been criticised for not being new, for ignoring the tensions

between social and economic goals (Crane et al., 2014) and for being naïve about capitalism and “encouraging incrementalism rather than the necessary transformative change” (Elkington, 2012). In the “Novo Nordisk” case study, “Shared Value” was found to be used as a “business case” narrative which underscores the relevance of studying the role and effects of CSR theories in companies from a performative point of view (MacKenzie, 2007). Secondly, the case study demonstrates that a fruitful way to inform the current debate – which tends to revolve around whether Shared Value is a new and good idea or not – may be to conduct practice studies of “Shared Value”. The purpose of such studies would be to unpack how the “shared” as well as the “value” is performed in practice.

### *Valuing as a way of studying organisational multiplicity*

Finally, the valuing analysis in the context of “Novo Nordisk” indicates that the valuing perspective may also be a useful addition to the study of organisational multiplicity as a theme that cuts across the valuation and organisation and management fields. David Stark’s (2009) study of dissonance in heterarchies that draws on Boltanski and Thévenot is a leading contribution in this line of research. Furthermore, according to Højgaard Christiansen (2013), there is also a growing interest in studying the co-existence and coordination of multiple logics within organisations from a neo-institutional perspective. I have not been able to identify other studies that have used the notion of valuing registers to shed light on organisational multiplicity, although I cannot rule out that this has been tried earlier. Nevertheless, I believe it is an idea worth pursuing. As argued, in comparison to the ideas of orders of worth and institutional logics, the valuing register concept is free of pre-conceived ideas about logics or orders that count in a particular organisational context. Further, it emphasises the material, dynamic and situational dimensions of organisational multiplicity and facilitates an exploration of the linkage between multiple valuing registers and organisational identity, structure, systems and tools and, not least, work practices. The valuing perspective calls for attention to be paid to how the ranges of good and bad within valuing registers are coordinated by multiple actors in different situations in continuously changing ways. As the analysis of “Novo Nordisk” showed, valuing activities may also change the valuing registers and as such the valuing perspective may also contribute to explaining organisational change.

In the following and final section, I reflect on the practical and managerial implications of the study from a personal practitioner’s point of view.

### 8.3. PRACTICAL IMPLICATIONS

In my view, the case study raises a series of questions to consider within the context of “Novo Nordisk” in general and partnership management in “Novo Nordisk” in particular. Further, the study contributes to the debate about the partnership hype introduced in chapter 1.

#### 8.3.1. “NOVO NORDISK” IN GENERAL

First of all, from a management point of view, I believe the study raises the question of whether multiplicity should be encouraged or discouraged. Is it a strength or a weakness that the company operates with multiple valuing registers and multiple versions of corporate identity and reality? Is it a good or a bad thing that the Triple Bottom Line (TBL) is explained and worked with in one way in one situation by one person and in another way in another situation by another person?

The creation of a hierarchy between the “drug maker” and the “change catalyst” that I unveiled in the historic analysis may be interpreted as an attempt to, if not directly discourage multiplicity, then at least to avoid encouraging it. In my daily work, I also experience a general tendency to want to streamline the sayings and doings in the company. For example, in CSE, we produce “core stories” and toolboxes related to Changing Diabetes and TBL to create unified ways of talking about and working with these commitments across the company. We are often frustrated when other units or departments approach Changing Diabetes and TBL in ways that are not in accordance with our views, etc. Further, we also sometimes wrestle to clarify the hierarchy and relationship between the Changing Diabetes and the TBL commitments. Are they the same thing or is one above or below the other? Personally, in my work in the Corporate Sustainability team, I have strongly promoted the clarification and streamlining tendency, but working on this thesis has changed my view. I am not questioning that it can be useful to produce tools to help colleagues work with Changing Diabetes and TBL across the company and try to set some sort of direction for this work. In fact, in my view, such tools encourage organisational multiplicity as they help “Novo Nordisk” to remain a company with four valuing registers in the same way that the performance management system supports the results registers. However, I am no longer frustrated when colleagues do not use the tools exactly as intended or when they do not use them at all and instead conduct TBL activities in their own way. Similarly, the fact that executives talk about TBL in public in ways that deviate from the “core story” does not frustrate me either. First of all, the valuing analysis has made me realise something I have always known, but never fully understood the consequences of (and probably I still do not) – that the way the TBL is devised with three separate bottom lines has the inbuilt advantage – or disadvantage depending on how you look at it – that it allows multiple interpretations and usages, including making trade-offs between

results and relations. If we in the Corporate Sustainability team wanted to prevent the TBL from being used to for example justify a decision that we do not find particularly socially responsible with a financial responsibility argument, our effort should be directed at replacing the TBL with another type of commitment and tool that would better support what we wanted to achieve. Second, I now consider it an achievement when colleagues activate TBL in their work as this signals that they believe it is important and will benefit them in their particular situation. Third, I consider it a strength that the company has multiple registers that we can all draw on and creatively combine in different work situations. The more registers, the bigger the playing field and the more room for creativity and finding support for activities. In continuation of this, I certainly do not see a need to introduce a hierarchy between Changing Diabetes and TBL anymore. The ability to combine and switch between the change leader and the responsible citizen register is an advantage not a problem. It provides room for manoeuvre. Before writing this thesis, I was preoccupied with standardising our core stories and tools related to TBL due to a concern that if we did not, the Corporate Sustainability team would lose control of TBL with the potential risk that colleagues would use TBL in ways that were counterproductive or would ruin our reputation within the corporate sustainability community. After finalising the valuing analysis, I consider the lack of control a premise for the kind of work that I do. Personally, what I consider to be the biggest concerns of the work we do in Corporate Sustainability today are related to maintaining responsible business conduct in the game as a relevant valuing register in the company and determining whether TBL is still a productive tool for driving the company's sustainability performance forward. As the TBL is solidly anchored in the company's Articles of Association, reporting and other management systems, dismissing and replacing it would be a potentially suicidal mission for the team and certainly a challenge so great that I am pretty confident it is not going to be attempted any time soon. Thus, in the Corporate Sustainability team, we will probably stick to cherishing the solid anchoring of TBL as an advantage and to working around its disadvantages to advance corporate sustainability in other ways. But certainly, if anything, the example of the TBL underscores the point that it is hugely important to consider the long term effects of the tools you introduce!

In summary, this research project has changed my personal view on multiplicity and I now believe it is a strength because it makes the organisation versatile and agile as it gives room for creative manoeuvring. However, embracing multiplicity as an advantage is one thing, another thing is actively encouraging it. The innovative heterarchies that Stark (2009) describes are organisations that promote a mix of evaluation criteria and facilitate "reflexive cognition" (p. 4-5). These organisations appreciate the uncertainty that heterogeneous evaluation criteria create which Stark sees as opening opportunities for action (p. 13). In my view, "Novo Nordisk" is not a heterarchy. It is multiple largely because public concerns and the company's growth have pushed it to be, but with the exception of the

innovation office partnership examples analysed here it generally doesn't actively promote multiple valuing criteria as opportunities for action. This is likely because its business model until now has proved to be extraordinarily successful measured in profit, sales and market leadership terms. Personally, I believe that the company could do more to facilitate that it captures the opportunities that the multiple valuing registers provide.

In the following, I reflect on the practical implications of the analysis in terms of partnership management at “Novo Nordisk”.

### **8.3.2. PARTNERSHIP MANAGEMENT AT “NOVO NORDISK”**

If partnership management, as proposed above, is valuing, what then does it take to do this work well? Are there any particular ways of conducting valuing that work better than others in terms of achieving buy-in and progressing activities?

If I look at this question in terms of the competences that a partnership manager should have, the work requires multi-talented people that can “play multiplicity” and make the kind of productive co-existence that allows partnership progression happen. A good partnership manager must be able to sell, experiment, envision, negotiate, build alliances, communicate, design, organise and plan and not least change designs, organisational set-ups and plans again. He/she must be good at improvising and be really well versed in the valuing registers that the partnership is played within including the partners' valuing registers. The managers must know the full repertoire, be able to pitch and re-pitch interaction and have a very good ear for what resonates with colleagues and fellow musicians. In terms of personal qualifications, a good partnership manager must absolutely not be a control-freak who is afraid of uncertainty. Further, he/she must be persuasive, attentive, creative, patient, persevering and pragmatic (not in a philosophical sense, but in terms of going for what is practically possible in a certain situation).

In my view, based on the valuing analysis, partnership management requires tactical skills just as much as it requires strategic skills – if not more so. Discussing a partnership goal is undoubtedly important, but articulating a goal that all partners sign up to requires tactical skills as does the gradual progression of the partnership. At “Novo Nordisk,” getting partnerships (and relations work in general) off the ground and keeping them moving demands knowledge of who to turn to/where to go and who not to turn to/where not to go, how to pitch and tune activities and how activities should not be pitched or tuned, how to compromise and how to change direction to keep activities moving forward when the going gets tough, and finally, knowing when it is time to stop and put a particular idea in a drawer until a new opportunity arises. Arguably, tactical knowledge and competences cannot be taught

in a corporate class-room. It takes on-the-job training. Considering, however, how important tactical work is according to the analysis, it seems relevant to discuss whether there are grounds for more explicitly fostering tactical competences in relation to partnership/CSR management, in particular, but also in a more general sense at “Novo Nordisk”; and, if there is, how should it be done? Currently, project management training in the company is focused on strategy, planning and implementation and less (obviously) focused on how to tweak the project management templates and what to do when activities can not go or do not go as planned.

In addition to partnership managers’ competences, a second point that seems prone to critical reflection is the actors involved in partnerships, including the valuing tools. On an overall level, I think it would be useful to “operationalise” the ANT understanding of an actor and use it actively in partnership and relations activities at “Novo Nordisk” where the “stakeholder” notion is otherwise widely used. Conceptually, it would put the focus on agency (who and what acts and how do they act) and the multiple actor realities that need to be coordinated in partnerships, including non-human actors. In other words, it would emphasise that neither the “stakes” nor the “holders” are pre-defined or stable constructs. Practically, replacing early stakeholder mappings or considerations with the consideration of actors in an ANT sense will likely lead to an enhanced understanding of the many potential allies and enemies in partnerships, including the non-human actors and the silenced and passive actors that stakeholder analyses are less likely to capture.

In terms of valuing tools, in particular, the analysis highlights that some project management tools are better at facilitating uncertain experimentation than others and that the time lines and project performance requirements that “Novo Nordisk” project management tools impose upon partnership activities, can cause tension. As different business units apply different project management approaches, the organisational anchoring of partnerships is far from insignificant. Hence, as pointed out above, knowing who and where to go is also a question of considering the project management approach that a particular organisational anchoring includes. In the Sustainable Communities project, anchoring the project with a strong ally included engaging with a project management actor with decision gates and tight deadlines. The project would probably never have got off the ground if it was not for the combination of a strong human ally and a performance oriented project management model; however, the trade-off in practical work was that the PEM model did not fit particularly well with regards to facilitating experimentation. Obviously, another implication of the analysis could be to conclude that none of the existing management models in the company are suitable for facilitating experimentation or gradual progression (the IPM model with longer timelines and learning loops is no longer in use) and that there is, therefore, a need to develop a particular partnership management approach and tools that do just that – or to use one that already exists. More radical suggestions – compared to current “Novo

Nordisk” practice – would be to avoid working with management tools all together or to work according to partner organisations’ management or approaches. Based on the analysis and my practical work experience, I do not consider any of these practically realistic suggestions as managing partnerships according to “Novo Nordisk” management models is a central argument in the work related to making the business case for partnering. It reduces uncertainty and makes the hope of achieving partnership benefits stronger. Within the current valuing registers in “Novo Nordisk”, it would likely lead to the company engaging in fewer partnerships. Therefore, a more practical recommendation for partnership managers at “Novo Nordisk” is to carefully choose which project management tools they work with (when they have a choice) and to be prepared to negotiate with colleagues and partners when the model stands in the way of peaceful co-existence and partnership progression.

Finally, another implication related to valuing tools is the awareness that the models used in partnerships may have long lasting and potentially counterproductive effects. In practice, this calls for close attention to be paid to the potential effects of tools while they are made and before they are introduced in partnerships – though effects can obviously be difficult to foresee. Important questions to ask are where the tools come from and whether the actors that they tend to sneak in through the back-door are welcome or not. It is also important to assess the effectiveness of tools, not only in relation to pitching partnerships, but also in relation to facilitation of partnership progress. Importantly, if a model used to pitch partnerships includes a suggestion for particular activities or ways of working, it is crucial to consider the implications of this before the model is introduced.

Above I made the point that a more radical change to the way partnerships are currently managed in “Novo Nordisk” would probably lead to the company engaging in fewer partnerships. In the following section, I discuss whether this is a good or a bad thing in the context of “social partnerships” in general.

### **8.3.3. “SOCIAL PARTNERSHIPS” IN GENERAL**

Recognising that a single-case study does not allow generalisation, *if* the way partnerships are approached at “Novo Nordisk” is in any way representative of the conditions for “social partnerships” in general, what are the implications in relation to the partnership hype discussed in chapter 1?

I have two reflections in relation to the hype about the goodness of partnerships. First, at a meta-level, the research project was largely motivated by an annoyance that the partnership calls were overrating partnership potential. However, now that I have finalised the analysis, I generally find the hype about the value potential of

partnerships productive and I will have to find a less derogatory way of speaking about it. As I see it, the hype is valuing work that incites organisations to engage. It builds hopes and hypotheses about potential benefits. Furthermore, the case indicates that the ambitious ideas about transformational partnerships are useful in terms of building an ideal standard that comes to play a concrete role as a tool for improving partnerships in practice, even if a partnership may be far from the ideal.

The second reflection about the positive partnership discourse is that I still believe that it overestimates what “social partnerships” may accomplish. Though the hype incites, the high hopes about the transformational capacity of partnerships, in my view, tends to stand in the way of a more constructive debate about “how to make things happen” in uncertain, experimental and, in my opinion, largely self-interested work spaces, though self-interest comes in many shapes and forms when selves are multiple. Not surprisingly, the “Novo Nordisk” case shows that companies hesitate to engage in collaborations that challenge successful business models or market leadership positions. I assume this hesitation also applies to NGOs, public organisations and other types of organisations— though they are likely to measure success in other terms than the company. On the other hand, the positive aspect of the case study, in my opinion, is that it shows that people, systems and tools are working inside companies to make the improvement of societal conditions count alongside other valuing registers. Further, the study shows that partnerships can be initiated despite uncertainty and vague hopes regarding benefits and that there is quite a lot of room for making things happen if the valuing registers are played right. The relatively wide room for manoeuvring also implies that there is not one recipe of how to engage corporates in partnerships for societal change. For example, partnership consultants often advice that there must be a clear business case and that partnerships have a greater chance of success if a company’s CEO is personally engaged in the activity. This is likely true, but the point is that things can also happen without clear business cases or the CEO being personally engaged. In other words, my advice would be to not let the ideal stand in the way of what is practically possible. Focus on finding room for manoeuvre, i.e. focus on securing buy-in to experiment and progress from this point.

Related to the debate about partnership potential are questions about what could be done to accelerate engagement and impact. For example, can partnerships accomplish more if they are carried out in organisational set-ups that are separate from the partners’ home organisations such as suggested in the idea about “collective impact” (Kania & Kramer, 2011)? Alternatively, will new impact metrics of the link between business impact and social impact facilitate engagement in accordance with the received wisdom that “what gets measured gets done”?

On several occasions during the research project, I have caught myself thinking that partnership work would be a lot easier if the company engaged in a partnership that was run by others according to their own standards and templates. Generally, I



think that developing organisational set-ups that facilitate experimentation and give a break from the performance requirements of home organisations is a useful addition to partnership practice. Obviously, however, the challenge is that, in practice, it is not possible to take a break from your home organisation (at least not a very long one) unless you have buy-in to do so. In other words, investing in partnerships run from outside the company also needs buy-in. As this implies an additional loss of control, but also a potential spread of risks related to uncertainty, it is hard to predict whether it would be easier or more difficult to achieve buy-in. In the concrete cases I have studied, however, the fact that partnership engagement is run in-house according to company standards – or that company employees are heavily involved in partnership work – is generally a strong selling point.

With respect to measurements, I am also in two minds. On the one hand, I am concerned that the focus on developing new ways of measuring the “business impact” of corporate engagement in “social change” activities is a waste of time and the construction of illusion as the link can rarely be proven. What is worse is that it may be unproductive as such measures will direct attention towards monolithic, static and simplified definitions of the “business” the “social” and the “impact” with the risk of losing sight of other definitions and the potential opportunities that these may offer. On the other hand, the case-study demonstrated that measurements are important even if they are not perfect. As they serve to reduce uncertainty and build belief in potential benefits, they are important instruments in securing and maintaining buy-in to partnership activities. Whether new measures will make the valuing of corporate engagement in partnerships easier and lead to more and better partnerships in terms of “social impact” is, however, hard to predict. Certainly, what this case study shows is that though measurements may help to get things done, it takes much more than measurements to initiate and progress partnerships.

Finally, what about the criticism that the partnership discourse suppresses the idea that adversarial relationships between companies and NGOs may also be valuable and good for democracy? And that the partnership discourse helps to position companies as legitimate players in public governance as part of the solution to societal challenges (Laasonen et al. 2012). I generally think these are important and valid points of criticism.

The coordination of co-existence that I have argued is important for partnership progression is indeed about avoiding open conflict and avoiding that tensions become destructive. In this respect, it would be interesting to explore whether there are any ways of promoting and using “constructive conflicts” in partnerships or if such an initiative would only serve to show that – after all – there are boundaries to the types of relations you can meaningfully describe as partnerships. Reflecting on the point about suppressed relations, there is another type of relationship that I think is being suppressed by the partnership discourse in “Novo Nordisk”: The sponsor-

sponsored or donor-recipient relationship. Going back to the discussion above about ways of organising partnerships, during the research process, I have often wondered why partnering is considered to be better than sponsoring or donating and why corporate partnership managers, myself included, seem to quite strongly resent the sponsor and donor roles. This is a particularly intriguing question if you consider that many of the partnerships studied do in fact include sponsorships or other types of financial transactions. In many ways, it appears that transactional relationships are easier to handle for all actors involved. The company gains reputational points from being mentioned as the sponsor of the activities while the recipient receives more funds to conduct its social work, while the overall workload associated with collaborating is reduced as a result. What can really be so bad about that? First, I believe – as I return to below – that companies have more to contribute to the resolution of societal challenges than just money. Second, if it is as difficult to convince decision makers to “just write a cheque for a societal cause without getting other benefits than brand visibility” in other companies as it is in “Novo Nordisk”, I sincerely doubt that corporate donations for social causes will ever amount to a significant contribution to resolving global sustainability challenges. Still, I also believe that I intuitively prefer “partnering” to “sponsoring” because I am influenced by the partnership discourses that for many years now have been hammering the message home that there is a need to move beyond transactional relations. In my view, this is another disadvantage of the partnership discourse. Looking at the state the world is in, I think sponsorships as well as partnerships are greatly needed and I, therefore, suggest that it might be worthwhile to strike a blow for transactional relations and potentially develop new forms with new names that have a more positive appeal in the corporate world. In my view, it is important to emphasise that partnering is not automatically the better form of relation between corporates and non-corporates in terms of “transforming” the world and resolving the global sustainability challenges.

With respect to the criticism that partnership discourse allows companies to legitimately play a role in public governance, I agree that it is crucial to be aware of the potential “democratic deficit” (Scherer & Palazzo, 2011) of increased corporate engagement in societal issues. This was a key theme in the Sustainable Communities case where the boundaries between the company and the municipality were explored and tested. On the other hand, I disagree that increased corporate engagement in public governance is necessarily a bad thing. Certainly, it is beyond any doubt that some corporate interests and activities run counter to what is in the interest of society at large – the list of examples of this is endless. This is why the debate about the potentially adverse effects and the conditions of increased corporate engagement is hugely important. But some corporate interests, knowledge, competences and funds can be activated in support of “the greater good”. Though self-interested – as any other type of organisation – companies are multiple actors with multiple concerns and competences. In my opinion, deciding to exclude corporates from global sustainability debates based on a generalised

assumption that companies can not be trusted to contribute positively in any way would mean missing out on the potential opportunities involved.

## CHAPTER 9. CONCLUSION

As introduced in chapter 1, the primary objective of this thesis was to provide an enhanced understanding of how corporate engagement in partnerships to resolve societal issues is made worthwhile. Secondly, the research project aimed to discuss the implications of the valuing analysis in terms of partnership management and the debate about the potential of driving societal change through partnerships. In this chapter, I conclude the thesis in relation to the research objectives.

### 9.1. THE PERFORMANCE OF WORTHWHILE PARTNERSHIP

To respond to the question about how partnership engagement is made worthwhile, in chapter 3, I developed an analytical framework inspired by the pragmatic valuation approach (Caliskan & Callon, 2009). In particular, the analysis draws on the work of Frank Heuts and Annemarie Mol (2013) who propose to study value not as something that is, but as something networks of actors do. Drawing on the valuing framework, I asked: How are worthwhile “social partnerships” performed?

In the particular corporate setting studied here, the conclusion is that worthwhileness of partnerships is performed through ongoing valuing work aimed at achieving and maintaining buy-in from decision makers to initiate and progress partnerships. As the value of partnerships is hard to measure and prove, the chronic uncertainty and doubt about value is dealt with by 1) continuously enacting hopes and hypotheses about the benefits of partnering. Further, the initiation and progression of partnership activities is enabled through 2) the continuous coordination of tensions between the valuing registers involved.

Valuing work is experimental and largely tactical and blends with other types of work related to partnerships, for example, partnership design and organisation, but also more generic activities such as sales, negotiation, communication and project management. Further, it is material-discursive work (Orlikowski & Scott, 2015, p. 700) that is carried out not only by the individuals and organisations that are either directly or indirectly involved, but also by valuing tools such as partnership models and project management models. Valuing tools influence the interaction and may have long-lasting effects that extend beyond the discontinuation of partnership activities. Finally, valuing – like any other type of work – is affected by events, lessons learnt and interaction with money, law, space and place and other materialities and practicalities that influence what can and cannot be done.

*Ad.1: Pitching hopes and hypotheses about the benefits of partnering*

The hopes and hypothesis about the value of partnerships are pitched through social value propositions and through what I referred to as business casing. In a valuing perspective, pitching is aimed at persuading and getting things to move, but simultaneously it is an experimental and explorative activity where the hopes and hypotheses about value are carefully and tactically pitched to hopefully resonate with the target audience. Furthermore, pitching is done within a certain set of valuing registers which in this case were the four valuing registers of “Novo Nordisk” and the valuing registers of the company’s partners. Of the four valuing registers identified in “Novo Nordisk,” two were concerned with “good results”: a) profitability & market leadership and; b) science & innovation; and two were concerned with “good relations”: c) responsibility & accountability and; d) change leadership). As these registers together offer a relatively wide, though not infinite, repertoire of potential performances of value, there are multiple potential notes and combinations of notes to strike when partnership ideas are being pitched. Additionally, the valuing registers of “Novo Nordisk” included four versions of corporate identity and reality which opened for continuously and situationally changing enactments of “business”/ the “corporate”, “society”/the “social” and partnership roles in valuing.

The social value propositions for diabetes partnerships and sustainable community partnerships analysed in chapter 7 were models that proposed certain definitions of value and benefits and certain measures of success by problematising the present or visualising the future. Produced in “Novo Nordisk”, the models activated and combined the valuing registers of the company and were used to pitch partnership ideas to decision makers both inside and outside the company. When a social value proposition strikes a note in the “responsibility & accountability” or the “change leadership” registers of “Novo Nordisk”, the company is attempted performed as a responsible citizen and/or a health system partner that measures value in terms of “social impact,” i.e. what is good for people and society at large. Still, the analysis of the making of social value propositions showed that these models – though coming across as primarily concerned with social impact – were devised in ways that allowed peaceful co-existence with the results registers of “Novo Nordisk”.

Furthermore, a second task related to the continuous enactment of hopes and hypotheses about the benefits of partnering was business casing. Where the social value propositions were actual, visible models, in the analysis I found that the business case was not an end result, but an ongoing process aimed at reducing uncertainty and making decision makers in the company believe strongly enough in the potential business benefits to run the risk of investing in a partnership idea. The analysis showed that this involved trying to change the measures of success in the two results registers through alternative “business case” narratives, but also attempting to accommodate the measures of success in these registers through

proposed Key Performance Indicators and other types of partnership impact measures. Furthermore, business casing involved designing partnership ideas to reduce the risk of investing and increasing the likelihood of benefitting and to make ideas valuable in as many of the company's valuing registers as possible. Finally, liaising with allies in the company and anchoring and re-anchoring partnership projects between departments was found to be a central part of the continuous effort that went into making partnerships worthwhile investing in for "Novo Nordisk".

#### *Ad 2: Tuning tensions between valuing registers*

Tuning is the continuous coordination of the valuing registers involved in partnerships that enables the initiation and progression of partnership activities. As there are tensions both within and between valuing registers, tuning addresses these tensions in ways that allow partnerships to make progress despite tension. In other words, tuning enables productive "co-existence in tension" between the multiple versions of "Novo Nordisk" and between "Novo Nordisk" and its partners. Furthermore, besides the valuing registers of partner organisations, the tuning analysed in the case-study also involved the improvement of partnerships against an ideal version of a partnership as a particularly collaborative and innovative relation. In the analysis, I found that tuning was done both to secure initial buy-in (tuning to persuade) and to maintain buy-in and continuously improve partnerships (tuning to persist and improve). Concretely, tuning was carried out through give-and-take negotiations, through defensive argumentation and through aligning "Novo Nordisk's" ideas and priorities with those of the partner. It was done through designing, organising and branding partnerships in ways that all partners could buy in to and that were as good as possible according to the partnership ideal. Furthermore, tuning was carried out through ongoing dialogue and consultation and "smaller" fine-tuning of the partner relation on a day-to-day basis. Where pitching was largely conducted inside the company, tuning was more difficult to control. Furthermore, like pitching, tuning was experimental and aimed to explore the room for manoeuvre in partnerships and the room for improvement. When exploring room for improvement against the partnership ideal, the partnership relation (collaboration, equality, self-interest, openness) and change potential (innovation potential and time horizon) was continuously qualified and re-qualified.

In summary, in chapter 1, I presented the puzzle that "Novo Nordisk" was engaging in partnerships despite widespread concern about the value of doing so and despite the fact that engagement sometimes happened in ways that seemed to be at odds with the common understanding of what and how companies value. In this thesis, I have described the valuing work that makes this possible, i.e. I have described how partnerships happen despite concerns about the benefits and despite tensions between the valuing registers and ideals involved. Further, I have shown that the common generalisation that companies are primarily concerned with economic benefits and/or legitimacy fails to capture the fact that companies – as other actors –

have multiple valuing registers and multiple identities that are activated and combined in different ways in different situations in valuing work. This means that there is no one fixed definition of, for example, economic success, corporate responsibility or other themes of relevance or particular concerns that make up the valuing registers of a company. Further, what is good, bad or worthwhile doing within and between the registers is continuously and situationally defined through valuing work.

## 9.2. PRACTICAL IMPLICATIONS OF THE STUDY

In the discussion about the management implications in chapter 8, I suggested that the multiple definitions and measures of value and success and the multiple roles and realities that the valuing registers of “Novo Nordisk” offered was a strength rather than a weakness as they provided quite a lot of room for initiating and progressing partnerships. Further, I outlined the competences and personal qualifications that I believe a partnership manager in the context of “Novo Nordisk” should have to be more likely to “play multiplicity” and enable “co-existence in tension” well. Managing partnerships well requires multiple talents, including selling, experimenting, envisioning, negotiating, building alliances, communicating, designing, organising and planning and not least being good at changing designs, organisational set-ups and plans if necessary. A partnership manager must be familiar with the valuing repertoire and be good at improvising within it to pitch and tune partnerships in ways that resonate. In terms of personal qualifications, it takes people who can move things forward without being in charge, in control or certain of an end result. A good partnership manager is persuasive as well as patient, and creative as well as focused on what is practically possible. In the discussion, I highlighted that the suggested partnership manager profile called for giving higher priority to tactical competences in training and development activities. Furthermore, in addition to the discussion about competences and qualifications, I suggested replacing the stakeholder perspective with a broader view on ‘actors’ in partnership management and I called for closer attention to be paid to the choice and role of valuing tools.

In the broader perspective of the potential of changing society through partnerships, I argued that the case-study of “Novo Nordisk” showed limitations as well as opportunities. On the one hand, the case-study shows that “Novo Nordisk” only engages in partnership activities that are hoped or hypothesised to benefit the company in one way or another. Further, the company is hesitant when it comes to engaging in collaborations that challenge the business model or the company’s market leadership position. On the other hand, there is quite a lot of room for defining potential business benefits and partnerships can get off the ground despite substantial uncertainty and only vague hopes about benefits. Assuming that other

companies and organisational actors also have limitations and reservations, I called for an increased focus on the opportunities of what is practically possible in the social partnership debate and for recognising that there is not just one, but multiple ways to partnership success. In terms of what can be done to accelerate partnership engagement and impact, I argued that partnership set-ups that are disconnected from the individual partner organisations could be a useful way of allowing experimentation and spreading partnership risks. However, based on the analysis of “Novo Nordisk”, I cautioned that the additional loss of control that this type of set-up would involve may hamper corporate engagement in partnerships. With respect to the focus on impact measurement, I argued that measurements are important even if they are not perfect proof points. The importance of measurements lies not so much in actually proving or documenting value or progress, but in their capacity to reduce uncertainty and increase hope of potential benefits. In this sense, measurement is crucial for getting partnerships off the ground and for ensuring that they make progress. However, when measurements are being developed, it is critically important to be aware that they can also potentially become unproductive in terms of directing attention towards static and simplified definitions of the “business” the “social” and the “impact” and away from other definitions and the potential opportunities that these may offer.

Finally, in response to the criticism of partnership discourse (Laasonen et al. 2012), I recognised that partnership discourse suppresses adversarial relations and pointed out that it also seems to suppress transactional relations such as sponsor-sponsored or donor-recipient relationships. In this connection, I emphasised that it is important to keep in mind that partnering is not automatically the better form of relation between corporates and non-corporates in terms of resolving global sustainability challenges and suggested that – as a supplement to partnerships – it might be worthwhile re-branding and re-inventing transactional relations. With respect to the criticism that the partnership discourse legitimises companies as part of the solution, I agreed that it is crucial to be aware of the potential “democratic deficit” (Scherer & Palazzo, 2011) of increased corporate engagement in societal issues, but contested that increased corporate engagement in public governance issues is a bad thing by definition. While it is hugely important to recognise that some corporate interests and activities run counter to what is in the interest of society at large, the case study shows that some corporate interests, knowledge, competences and funds can be activated and mobilised in support of “the greater good”.



## CHAPTER 10. REFERENCES

- Albareda, L. (2010). Mapping the Novel Arrangements Adopted to Build the Corporate Responsibility Institutional Setting. *Journal of Corporate Citizenship* (40), 75-100.
- Alvesson, M. (2003). Methodology for Close Up Studies – Struggling with Closeness and Closure. *Higher Education* (46), 167–193.
- Austin, J.E. & Seitanidi, M. M. (2012a). Collaborative Value Creation: A Review of Partnering Between Nonprofits and Businesses: Part I. Value Creation Spectrum and Collaboration Stages. *Nonprofit and Voluntary Sector Quarterly* (41/5), 726–758.
- Austin, J.E. & Seitanidi, M. M. (2012b). Collaborative Value Creation: A Review of Partnering Between Nonprofits and Businesses: Part I. Partnership Processes and Outcomes. *Nonprofit and Voluntary Sector Quarterly* (41/6), 929-968.
- Austin, J.E. (2000). Strategic Collaboration Between Nonprofits and Business. *Nonprofit and Voluntary Sector Quarterly* (29/1), 69-97.
- Austin, J.E. (2010a). *Collaboration Challenge: How Nonprofits and Businesses Succeed through Strategic Alliances*. Hoboken: Jossey-Bass.
- Austin, J.E. (2010b). From Organization to Organization: On Creating Value. *Journal of Business Ethics* (94), 13–15.
- Boltanski, L. & Thévenot, L. (2006). *On Justification. Economies of Worth*. Princeton and Oxford: Princeton University Press. Published in France in 1991 as *De La Justification: Les Économies de la Grandeur*.
- Boons, F. & Lüdeke-Freund, F. (2013). Business Models for Sustainable Innovation: State-of-the-art and Steps Towards a Research Agenda. *Journal of Cleaner Production* (45), 9-19.
- Boons, F.A.A. & Mendoza, A. (2010). Constructing sustainable palm oil: how actors define sustainability. *Journal of Cleaner Production* (18), 1686–1695.
- Bower, J. (1983). *The Two Faces of Management*. Boston: Houghton-Mifflin.
- Bowker, G.C. & Star, S.L. (2000). *Sorting Things Out: Classification and Its Consequences*. Cambridge, MA and London: MIT Press.

Brickson, S.L. (2007). Organizational Identity Orientation: The Genesis of the Role of the Firm and Distinct Forms of Social Value. *The Academy of Management Review* (32/3), 864-888.

Bryson, J.M., Crosby, B.C. & Stone, M.M. (2006). The Design and Implementation of Cross-Sector Collaborations: Propositions from the Literature. *Public Administration Review*, December 2006, *Special Issue*, 44-55.

Caliskan, K. & Callon, M. (2009). Economization, part 1: Shifting Attention from the Economy towards Processes of Economization. *Economy and Society* (38/3), 369-398.

Caliskan, K. & Callon, M. (2010). Economization, part 2: A Research programme for the Study of Markets. *Economy and Society* (39/1), 1-32.

Callon, M. & Muniesa, F. (2005). Peripheral Vision: Economic Markets as Calculative Collective Devices. *Organization Studies* (26/8), 1229-1250.

Callon, M. (ed.) (1998). *The Laws of the Markets*. Oxford: Blackwell.

Callon, M., Méadel, C. & Rabeharisoa, V. (2002). The Economy of Qualities. *Economy and Society* (31/2), 194-217.

Clarke, A. & Fuller, M. (2010). Collaborative Strategic Management: Strategy Formulation and Implementation by Multi-Organizational Cross-Sector Social Partnerships. *Journal of Business Ethics* (94), 85-101.

Cooren, F., Fairhurst, G. T., & Huët, R. (2012). Why Matter Always Matters in (Organizational) Communication. In Leonardi, P. M., Nardi, B. A. & Kallinikos, J. (Eds.), *Materiality and Organizing: Social Interaction in a Technological World*, 296-314. Oxford: Oxford University Press.

Cornelius, N. & Wallace, J. (2010). Cross-Sector Partnerships: City Regeneration and Social Justice. *Journal of Business Ethics* (94), 71 – 84.

Crane, A., Palazzo, G., Spence, L.J. & Matten, D. (2014). Contesting the Value of “Creating Shared Value”. *California Management Review* (56/2), 130-153.

Crosby, B.C. & Bryson, J.M. (2010). Integrative leadership and the creation and maintenance of cross-sector collaborations. *The Leadership Quarterly* (21), 211–230.

Czarniawska, B. (2014). *Social Science Research*. London: SAGE.

- Dewey, J. (1922). Valuation and Experimental Knowledge. *The Philosophical Review* (31/4), 325-351.
- Dewey, J. (1939). Theory of Valuation. *International Encyclopedia of Unified Science* (II/4). Chicago Illinois: The University of Chicago Press.
- Espeland, W.N. & Stevens, M.L (2008). A Sociology of Quantification. *European Journal of Sociology* (49), 401-436.
- Espeland, W.N. & Stevens, M.L. (1998). Commensuration as a Social Process. *Annual Review of Sociology* (24), 313-343.
- Friedland, R. & Alford, R.R. (1991). Bringing Society Back in: Symbols, Practices, and Institutional Contradictions in Powell, W.W. & DiMaggio, P.J. (Eds.) *The New Institutionalism in Organizational Analysis*, 232–263. Chicago: University of Chicago Press.
- Googins, B.K. & Rochlin, S.A. (2000). Creating the Partnership Society: Understanding the Rhetoric and Reality of Cross-sectoral Partnerships. *Business & Society Review* (105/1), 127-144.
- Hardy, C. & Thomas, R. (2015). Discourse in a Material World. *Journal of Management Studies* (52/5), 680-695.
- Hardy, C., Lawrence, T.B. & Grant, D. (2005). Discourse and Collaboration: The Role of Conversations and Collective Identity. *Academy of Management Review* (30/1), 58–77.
- Hardy, C., Lawrence, T.B. & Phillips, N. (2006). Swimming with Sharks: Creating Strategic Change through Multi-sector Collaboration. *International Journal of Strategic Change Management* (1/2), 96-112.
- Healy, P. (2009). The Pragmatic Tradition in Planning Thought. *Journal of Planning Education and Research* (28), 277-292.
- Helgesson, C. & Muniesa, F (2014). Editorial note: Valuation Is Work. *Valuation Studies* (2/1), 1–4.
- Heuts, F. & Mol, A. (2013). What Is a Good Tomato? A Case of Valuing in Practice. *Valuation Studies* (1/2). 125-146.
- Huxham C. & Vangen, S. (2000). Ambiguity, Complexity and Dynamics in The Membership of Collaboration. *Human Relations* (53/6), 771-806.

- Huxham C. & Vangen, S. (2005). *Managing to Collaborate: The Theory and Practice of Collaborative Advantage*. Abingdon: Routledge.
- Huxham, C. & Macdonald, D. (1992). Introducing Collaborative Advantage: Achieving Inter-organizational Effectiveness through Meta-strategy. *Management Decision* (30/3), 50-58.
- Højgaard Christiansen, L. J. (2013). *Brewing Organizational Responses to Institutional Logics*. Frederiksberg: Copenhagen Business School, PhD Series, no. 27.2013.
- Jarzabkowski, P. Bednarek, R. & K Lê, J. (2014). Producing Persuasive Findings: Demystifying Ethnographic Textwork in Strategy and Organization Research. *Strategic Organization* (12/4), 274–287.
- Kania, J. & Kramer, M. (2011). Collective Impact. *Stanford Social Innovation Review Winter*, 36-41.
- Karpik, L. (2010). *Valuing the Unique: The Economics of Singularities*. Princeton: Princeton University Press.
- Kjellberg, H., Mallard, A., Arjaliès, D., Aspers, P., Beljean, S., Bidet, A., Corsin, A., Didier, E., Fourcade, M., Geiger, S., Hoeyer, K., Lamont, M., MacKenzie, D., Maurer, B., Mouritsen, J., Sjögren, E., Tryggestad, K., Vatin, F. & Woolgar, S. (2013). Valuation Studies? Our Collective Two Cents. *Valuation Studies* (1/1), 11–30.
- Kolk, A. (2013). Partnerships as panacea for addressing global problems? In the *Partnerships Resource Centre (PrC)*, <http://hdl.handle.net/1765/77621>.
- Koschmann, M.A., Kuhn, T.R. & Pfarrer, M.D. (2012). A communicative Framework of Value in Cross-sector Partnerships. *Academy of Management Review* (37/3), 332–354.
- Lamont, M. (2012). Towards a Comparative Sociology of Valuation and Evaluation. *Annual Review of Sociology* (38), 201-221.
- Latour, B. (2005). *Reassembling the Social – An Introduction to Actor-Network-Theory*. Oxford: Oxford University Press.
- Law, J. (2009). Actor Network Theory and Material Semiotics in Turner, B.S. (Ed.) *The New Blackwell Companion to Social Theory*, 141-158. Oxford: Blackwell Publishing Ltd.

- Le Ber, M.J. & Branzei, O. (2010a). (Re)Forming Strategic Cross-Sector Partnerships - Relational Processes of Social Innovation. *Business & Society* (49/1), 140-172.
- Le Ber, M.J. & Branzei, O. (2010b). Value Frame Fusion in Cross Sector Interactions. *Journal of Business Ethics* (94), 163–195.
- Lewis, L., Isbell, M.G. & Koschmann, M. (2010). Collaborative Tensions: Practitioner's Experiences of Interorganizational Relationships. *Communication Monographs* (77/4), 460-479.
- Lotia, N. & Hardy, C. (2008). Critical Perspectives on Collaboration. In Cropper, S., Huxham, C., Ebers, M. & Ring, P.S. (Eds.), *The Oxford Handbook of Inter-Organizational Relations*, DOI: 10.1093/oxfordhb/9780199282944.003.0014.
- Laasonen, S., Fougere, M. & Kourula, A. (2012). Dominant Articulations in Academic Business and Society Discourse on NGO–Business Relations: A Critical Assessment. *Journal of Business Ethics* (109), 521–545.
- Lawrence, T.B., Suddaby, R. & Leca, B. (Eds.) (2009). *Institutional Work*. Cambridge: Cambridge University Press.
- MacKenzie, D. (2007). Is Economics Performative? Option Theory and The Construction of Derivatives Markets. In MacKenzie, D., Muniesa, F. & Siu, L. (Eds.), *Do Economists Make Markets? On the Performativity of Economics*. Princeton University Press: Princeton.
- Maguire, S. & Hardy, C. (2005). Identity and collaborative strategy in the Canadian HIV/AIDS treatment domain. *Strategic Organization* (3/1), 11–45.
- Maguire, S., Phillips, N. & Hardy, C. (2001). When ‘Silence = Death’, Keep Talking: Trust, Control and the Discursive Construction of Identity in the Canadian HIV/AIDS Treatment Domain. *Organization Studies* (22/2), 285-310.
- Marquez, P., Reficco, E., Beger, G., & Lozano, G. (2010). Socially Inclusive Businesses in Iberoamerica: Challenges and Opportunities. Cambridge: *The David Rockefeller Center Series on Latin American Studies*, Harvard University Press
- Mol, A. (2002). *The Body Multiple. Ontology in Medical Practice*. Durham, NC: Duke University Press.
- Mol, A. (2010). Actor-Network Theory: sensitive terms and enduring tensions. *Kölner Zeitschrift für Soziologie und Sozialpsychologie* (50), 253-269.

- Muniesa, F. & Helgesson, C. (2013). For What It's Worth: An Introduction to Valuation Studies. *Valuation Studies* (1/1), 1–10.
- Muniesa, F. (2012 ). A flank Movement in the Understanding of Valuation. *The Sociological Review*, 25-38.
- Muniesa, F. (2013). Actor-network theory. Draft chapter (version 12 April 2013) for Wright, J. D. (Ed.), *The International Encyclopedia of Social and Behavioral Sciences, 2nd Edition, 2015, volume 1*. Oxford: Elsevier.
- New Directions in Studying Discourse and Materiality (2015). *Journal of Management Studies* (52/5), editorial, 678-679.
- Nyberg, D. & Wright, C. (2012). Justifying Business Responses to Climate Change: Discursive Strategies of Similarity and Difference. *Environment and Planning A* (44), 1819-1834.
- Orlikowski, W.J. & Scott, S.V. (2015). Exploring Material-Discursive Practices. *Journal of Management Studies* (52/5), 697-705.
- Ouchi, W.G. (1984). The M-Form Society. *Human Resource Management* (23/2), 191–213.
- Patriotta, G., Gond, J. & Schultz, F. (2011). Maintaining Legitimacy: Controversies, Orders of Worth, and Public Justifications. *Journal of Management Studies* (48/8), 1804-1836.
- Peirce, C.S. (1878). How to Make Our Ideas Clear. *Popular Science Monthly* (12), 286–302. Retrieved from: <http://www.peirce.org/writings/p119.html>.
- Porter, M. & Kramer, M. (2011). The Big Idea: Creating Shared Value: How to Reinvent Capitalism and Unleash a Wave of Innovation and Growth. *Harvard Business Review*, January-February 2011, 2-17.
- Porter, T.M. (1995). *Trust in Numbers: The Pursuit of Objectivity in Science and Public Life*. Princeton: Princeton University Press.
- Putnam, L.L. (2015). Unpacking the Dialectic: Alternative Views on the Discourse–Materiality Relationship. *Journal of Management Studies* (52/5), 706-716.
- Paavola, S. (2014). From Steps and Phases to Dynamically Evolving Abduction. *Commens Working Papers no. 5*. Pub. 140828-1417a. Retrieved from Commens: Digital Companion to C. S. Peirce, <http://www.commens.org/papers/paper/paavola-sami-steps-and-phases-dynamicallyevolving-abduction>.

- Rondinelli, D.A. & London, T. (2003). How Corporations and Environmental Groups Cooperate: Assessing Cross-Sector Alliances and Collaborations. *The Academy of Management Executive* (17/1), 61-76.
- Salzmann, O., Ionescu-Somers, A. & Steger, U. (2005). The Business Case for Corporate Sustainability: Literature Review and Research Options. *European Management Journal* (23/1), 27–36.
- Scherer, A. & Palazzo, G. (2011). The New Political Role of Business in a Globalized World: A Review of a New Perspective on CSR and its implications for the Firm, Governance, and Democracy. *Journal of Management Studies*, (48/4), 899-931.
- Seitanidi, M. M. & Crane, A. (Eds.). (2014). *Social Partnerships and Responsible Business – A Research Handbook*. London and New York: Routledge.
- Seitanidi, M.M. & Crane, A. (2009). Implementing CSR Through Partnerships: Understanding the Selection, Design and Institutionalisation of Nonprofit-Business Partnerships. *Journal of Business Ethics* (85), 413-429.
- Seitanidi, M.M., Koufopoulos, D.N. & Palmer, P. (2010). Partnership Formation for Change: Indicators for Transformative Potential in Cross Sector Social Partnerships. *Journal of Business Ethics* (94), 139–161.
- Selsky, J.W. & Parker, B. (2005). Cross-Sector Partnerships to Address Social Issues: Challenges to Theory and Practice. *Journal of Management* (31/6), 849-873.
- Selsky, J.W. & Parker, B. (2010). Platforms for Cross-Sector Social Partnerships: Prospective Sensemaking Devices for Social Benefit. *Journal of Business Ethics* (94), 21–37.
- Silverman, D. (2011). *Interpreting Qualitative Data*. 4th edition. London: SAGE.
- Sloan, P. & Oliver, D. (2013). Building Trust in Multi-stakeholder Partnerships: Critical Emotional Incidents and Practices of Engagement. *Organization Studies* (34/12), 1835–1868.
- Stark, D. (2009). *The Sense of Dissonance – Accounts of Worth in Economic Life*. Princeton and Oxford: Princeton University Press.
- Taylor, J. R. & Van Every, E. J. (2000). *The Emergent Organization – Communication as Its Site and Surface*. London: Lawrence Erlbaum Associates.

Thévenot, L., Moody, M. & Lafaye C. (2000). Forms of Valuing Nature: Arguments and Modes of Justification in Environmental Disputes in Lamont, M. & Thévenot, L. (Eds.), *Rethinking Comparative Cultural Sociology: Repertoires of Evaluation in France and the United States*, 229-272. Cambridge: Cambridge University Press.

Thornton, P.H. & Ocasio, W. (1999). Institutional Logics and the Historical Contingency of Power in Organizations: Executive Succession in the Higher Education Publishing Industry. *American Journal of Sociology* (105/3), 801-843.

Tomlinson, F. (2005). Idealistic and Pragmatic Versions of the Discourse of Partnership. *Organization Studies* (26/8). 1169–1188.

Van de Ven, A.H. (2007). *Engaged Scholarship*. Oxford: Oxford University Press, Forthcoming, 2007. Retrieved from:  
[http://www.johnpbechara.com/uploads/1/2/9/5/12951614/bechara\\_and\\_van\\_de\\_ven\\_12-15-06.pdf](http://www.johnpbechara.com/uploads/1/2/9/5/12951614/bechara_and_van_de_ven_12-15-06.pdf).

Van Maanen, J. (1988). *Tales of the Field: On Writing Ethnography*. Chicago: University of Chicago Press.

Vangen, S. & Huxham, C. (2003a). Enacting Leadership for Collaborative Advantage: Dilemmas of Ideology and Pragmatism in the Activities of Partnership Managers. *British Journal of Management* (14), S61–S76.

Vangen, S. & Huxham, C. (2003b). Nurturing Collaborative Relations: Building Trust in Interorganizational Collaboration. *Journal of Applied Behavioral Science* (39/5), 5-31.

Vatin, F. (2013). Valuation as Evaluating and Valorizing. *Valuation Studies* (1/1). 31-50.

Vesa, M., & Vaara, E. (2014). Strategic ethnography 2.0: Four methods for advancing strategy process and practice research. *Strategic Organization* (12/4), 288-298.

Vikkelsø, S. (2007). Description as Intervention: Engagement and Resistance in Actor-Network Analyses. *Science as Culture* (16/3), 297-309.

Vlaar, P.W.L., Van den Bosch, F.A.J. & Volberda, H.W. (2006). Coping with Problems of Understanding in Interorganizational Relationships: Using Formalization as a Means to Make Sense. *Organization Studies* (27/11), 1617–1638.



Vurro, C., Dacin, M.T. & Perrini F. (2010). Institutional Antecedents of Partnering for Social Change: How Institutional Logics Shape Cross-Sector Social Partnerships. *Journal of Business Ethics* (94), 39-53.

Waddock, S.A. (1988). Building Successful Social Partnerships. *Sloan Management Review* (29/4), 17-23.

Waddock, S.A. (1989). Understanding Social Partnerships – An Evolutionary Model of Partnership Organizations. *Administration & Society* (21/1), 78-100.

Ählström, J. & Egels-Zandén, N. (2008). The Processes of Defining Corporate Sustainability: a study of Swedish Garment Retailers' Responsibility. *Business Strategy and the Environment*, 17(4), 230-244.

### **Corporate documents**

Novo A/S (2001). The Environmental and Social Report 2000.

Novo Nordisk A/S (1989). The rationale.

Novo Nordisk A/S (1992). Annual Report 1991.

Novo Nordisk A/S (1993). Annual Report 1992.

Novo Nordisk A/S (1994). Environmental Report 1993.

Novo Nordisk A/S (1994). Vision 21.

Novo Nordisk A/S (1995). Annual Report 1994.

Novo Nordisk A/S (1995). Dialogue, December.

Novo Nordisk A/S (1995). Dialogue June/July.

Novo Nordisk A/S (1996). Dialogue January.

Novo Nordisk A/S (1996). Dialogue November.

Novo Nordisk A/S (1996). Environmental Report 1995.

Novo Nordisk A/S (1997). Annual Report 1996.

Novo Nordisk A/S (1997). Environmental Report 1996.

Novo Nordisk A/S (1998). Environmental Report 1997.

Novo Nordisk A/S (1999). Annual Report 1998.

Novo Nordisk A/S (1999). Dialogue June/July.

Novo A/S (1999). The Charter for Companies in the Novo Group.

Novo Nordisk A/S (2000). Annual Report 1999.

Novo Nordisk A/S (2000). Dialogue June/July.

Novo Nordisk A/S (2000). Environmental and Social Report 1999.

Novo Nordisk A/S (2000). Novo Nordisk Vision.

Novo Nordisk A/S (2000). People 1.

Novo Nordisk A/S (2001). Annual Report 2000.

Novo Nordisk A/S (2001, September 26). Press release about Nordic Partnership.

Novo Nordisk A/S (2002). Annual Financial Report 2001.

Novo Nordisk A/S (2002). Annual Review 2001.

Novo Nordisk A/S (2002). Reporting on the Triple Bottom Line 2001.

Novo Nordisk A/S (2003). People 2.

Novo Nordisk A/S (2003). People 6.

Novo Nordisk A/S (2003). Sustainability Report 2002.

Novo Nordisk A/S (2004). Annual Report 2003.

Novo Nordisk A/S (2004). Sustainability Report 2003.

Novo Nordisk A/S (2005). Annual Report 2004.

Novo Nordisk A/S (2005). People 1.

Novo Nordisk A/S (2006). Annual Report 2005.

Novo Nordisk A/S (2006). People 1.

Novo Nordisk A/S (2006). People 5.

Novo Nordisk A/S (2007). Annual Report 2006.

Novo Nordisk A/S (2008, August 21). Novo Nordisk Joins the Call to Action for Gender Equality. Novo Nordisk sustainability news story. Retrieved from: <http://www.evaluategroup.com/Universal/View.aspx?type=Story&id=162299>.

Novo Nordisk A/S (2009). Annual Report 2008.

Novo Nordisk A/S (2010). Annual Report 2009.

Novo Nordisk A/S (2010). Facing up to the Climate Change Challenge, Blueprint for Change no 1.

Novo Nordisk A/S (2011). Access to Health: Our Approach.

Novo Nordisk A/S (2011). Annual Report 2010.

Novo Nordisk A/S (2011). Novo Nordisk Way.

Novo Nordisk A/S (2012). 20 Years in the Business of Sustainability.

Novo Nordisk A/S (2012). Annual Report 2011.

Novo Nordisk A/S (2012). Creating Shared Value through Socially Responsible Initiatives in the United States. Blueprint for Change no. 3.

Novo Nordisk A/S (2012, November 14). Novo Nordisk Partners with Ministry of Health to Prevent Diabetes. Novo Nordisk sustainability news story circulated through 3BL Media: <http://3blmedia.com/News/Health/Novo-Nordisk-Partners-Ministry-Health-Prevent-Diabetes>

Novo Nordisk A/S (2013). Strategy for Global Access to Diabetes Care.

Novo Nordisk A/S (2014). 10,000+ Children 2009-2014: An Account of the Changing Diabetes in Children Programme.

Novo Nordisk A/S (2014). Annual Report 2013.

Novo Nordisk A/S (2014). Reaching the Base of the Pyramid, project backgrounder.

Novo Nordisk A/S (2014, March 28). Novo Nordisk Launches “Cities Changing Diabetes” to Fight Urban Diabetes. Press release:  
[http://www.novonordisk.com/content/Denmark/HQ/www-novonordisk-com/en\\_gb/home/media/news-details.1413.html](http://www.novonordisk.com/content/Denmark/HQ/www-novonordisk-com/en_gb/home/media/news-details.1413.html)

Novo Nordisk A/S (2015). Annual Report 2014.

Novo Nordisk A/S (2015). Articles of Association of Novo Nordisk A/S.

## Other documents

Elkington J. (2012, June 7). Sustainability Should Not be Consigned to History by Shared Value. Blogpost, Guardian Sustainable Business blog:  
<http://www.theguardian.com/sustainable-business/sustainability-with-john-elkington/shared-value-john-elkington-sustainability>.

Ignatius, A. & McGinn, D. (2015). Novo Nordisk CEO Lars Sørensen on What Propelled Him to the Top. Harvard Business Review, November 2015:  
<https://hbr.org/2015/11/novo-nordisk-ceo-on-what-propelled-him-to-the-top>.

Royal Geographical Society (2016). The Egan Wheel. Retrieved February 20, 2016 from [https://www.rgs.org/NR/ronlyres/455C9C21-2E7D-42C8-A9B9-520EDDFA599C/0/FW\\_LL\\_Egan\\_Wheel.pdf](https://www.rgs.org/NR/ronlyres/455C9C21-2E7D-42C8-A9B9-520EDDFA599C/0/FW_LL_Egan_Wheel.pdf)

Svansø, V.L. (2014, November 25). Novo Nordisk vil Fastholde CSR profil uden Frontfigur. Business.dk: <http://www.business.dk/medico/novo-nordisk-vil-fastholde-csr-profil-uden-frontfigur>.

United Nations Development Programme [UNDP] (2015, September 26). Global CEOs Sign on to New UN Goals at United Nations Private Sector Forum. News story at UNDP.org:  
<http://www.undp.org/content/undp/en/home/presscenter/pressreleases/2015/09/26/-global-ceos-sign-on-to-new-un-goals-at-united-nations-private-sector-forum.html>

United Nations (2012). The Secretary General's remarks to World Business Council for Sustainable Development Annual Meeting: “Scaling up Solutions”, Seoul, 31 October 2012. Retrieved 3 February, 2016 from: <http://www.unric.org/it/messaggi-discorsi-dichiarazioni-e-commenti-del-segretario-generale/28565-the-secretary-generals-remarks-to-world-business-council-for-sustainable-development-annual-meeting-scaling-up-solutions-seoul-31-october-2012>.

United Nations (2015). Partnerships For Sustainable Development Goals: A legacy review towards realizing the 2030 agenda. Division for Sustainable Development, Department of Economic and Social Affairs: Goransson O.

United Nations Global Compact (2011). Catalyzing Transformational Partnerships Between the United Nations and Business. New York.

World Economic Forum (2012a). Global Risks 2012, 7<sup>th</sup> edition. Geneva.

World Economic Forum (2012b, May 1st). Global Risks 2012 – Seventh Edition – Japanese. News story: <http://www.weforum.org/reports/global-risks-2012-seventh-edition-japanese>

World Economic Forum (2016). The Global Risks Report 2016, 11th Edition. Cologny/Geneva.

### **Websites**

Global Compact Cities Programme (2016). Circles of Sustainability. Retrieved February 20, 2016 from <http://citiesprogramme.com/archives/resource/urban-sustainability-circles-of-sustainability-2>.

International Diabetes Foundation (2016). Who we Are. Retrieved January 26 from [www.idf.org/who-we-are](http://www.idf.org/who-we-are).

International Diabetes Foundation (2016). Partners. Retrieved January 26, 2016 from <http://www.idf.org/partners/meet-our-partners>.

NCD Alliance (2016). Who we Are. Retrieved January 27, 2016 from <http://www.ncdalliance.org/who-we-are>.

NCD Alliance (2016). Supporters Group. Retrieved January 27, 2016 from <http://ncdalliance.org/supportersgroup>.

Novo Nordisk (2016). History. Retrieved December 17, 2015 from <http://www.novonordisk.com/about-novo-nordisk/novo-nordisk-history.html>.

Novo Nordisk (2016). Ownership. Retrieved December 18, 2015 from <http://www.novonordisk.com/about-novo-nordisk/novo-nordisk-in-brief/ownership.html>.

Novo Nordisk (2016). Share and Ownership Structure. Retrieved December 18 from <http://www.novonordisk.com/investors/Shareinformation/share-and-ownership-structure.html>.

Novo Nordisk (2016). Changing Diabetes Leadership Forums. Retrieved January 26, 2016 from [http://www.novonordisk.com/about-novo-nordisk/changing-diabetes/cd\\_programmes/leadership-forum.html](http://www.novonordisk.com/about-novo-nordisk/changing-diabetes/cd_programmes/leadership-forum.html).

Novo Nordisk (2016). Changing Diabetes in Pregnancy. Retrieved January 26, 2016 from <http://video.novonordisk.com/video/9009465/changing-diabetes-in-pregnancy>.

Novo Nordisk (2016). Transparency and Disclosure. Retrieved January 27, 2016 from <http://www.novonordisk.com/sustainability/performance/Transparency-and-disclosure.html>.

Novo Nordisk (2016). Environment and Climate. Retrieved January 28, 2016 from <http://www.novonordisk.com/sustainability/actions/Environment-Climate/Greenhouse-gasses.html>.

Novo Nordisk (2016). Changing Diabetes through Collaboration. Retrieved January 28, 2016 from <http://www.novonordisk.co.uk/about-novo-nordisk/changing-diabetes-new/changing-diabetes-through-collaboration.html>.

Novo Nordisk (2016). Reaching the Base of the Pyramid. Retrieved January 28, 2016 from <http://www.novonordisk.com/sustainability/actions/Access-to-care/BoP-Reaching-the-base-of-the-pyramid.html>.

Pitch. Retrieved from <http://dictionary.cambridge.org/dictionary/english/pitch>.

Register. Retrieved from <http://www.merriam-webster.com/dictionary/register>.

Register. Retrieved from [http://www.etymonline.com/index.php?term=register&allowed\\_in\\_frame=0](http://www.etymonline.com/index.php?term=register&allowed_in_frame=0).

Register. Retrieved from <https://en.wiktionary.org/wiki/register>.

The Sustainable Communities Index (2016). What is the Sustainable Communities Index? Retrieved February 20, 2016 from: <http://www.sustainablecommunitiesindex.org/webpages/view/46>

Tune. Retrieved from <http://dictionary.cambridge.org/dictionary/english/tune>.

United Nations (2015). The Sustainable Development Goals. Retrieved 3 February, 2016 from: <https://sustainabledevelopment.un.org/?menu=1300>.

Valuation Studies (2016). About. Retrieved February, 23 2016 from <http://valuationstudies.liu.se/About/default.asp>.

Worthwhile. Retrieved from <http://www.merriam-webster.com/dictionary/worthwhile>.

APPENDICES

Appendix A. Interview Guide .....301



# Appendix A. Interview Guide

## *Opening*

Please tell us the story of this partnership/project. How did it come about?

## *Elaboration*

### **Why?**

- Why do we engage in partnerships?
- What is the value of partnering? (value to us, value to society)

### **How?**

#### Choosing partners

- Identification of partners, partner criteria, engagement strategy, who do we not partner with and why?

#### Establishing and designing the partnership

- Goal setting
- Roles and responsibilities
- Activity / intervention design
- Formalisation

#### Managing the partnership

- Organisation
- Decision-making
- Measurement of progress (KPIs etc.)
- Evaluation and learning
- Communication
- Financing and resourcing

#### Competences / skills

- What does it take to be good at partnering / manage partnerships

### **Partner perceptions**

- How do you think our partners perceive us?

### **Key learnings**

- What makes partnerships successful – please provide examples
- What makes partnerships fail – please provide examples
- What are the biggest challenges for NN in working in partnerships?
- How can we do better?



ISSN (online): 2246-1248  
ISBN (online): 978-87-7112-544-3

AALBORG UNIVERSITY PRESS